

CONSUMERS ATTITUDE AND CAUSE RELATED MARKETING: A STUDY WITH SPECIAL REFERENCE TO FMGC

Dr Varsha Agarwal

Associate Professor, Department of Management,
Atlas SkillTech University, Equinox Park, Off BKC Road, Mumbai, 400070
varsha.agarwal@atlasuniversity.edu.in

Bushra Siddiqui

Research Scholar, Department of Commerce and Business Administration,
University of Allahabad
bushra2710@gmail.com

Dr. Arti Chudamanrao Lokhande

Assistant Professor, Department of Commerce and Research Centre,
Loknete Vyankatrao Hiray Arts, Science and Commerce College, Panchavati, Nashik,
Maharashtra.
acl.sph@gmail.com

Vinay Kumar Yadav

Research Scholar, Department of Business Economics,
VBS Purvanchal University, Jaunpur-222001
om.vedic@gmail.com

Dr. Akabarsaheb B Nadaf

Associate Professor, Department of Computer Applications,
Bharati Vidyapeeth (Deemed to Be University, Pune) Abhijit Kadam Institute of Management
and Social Sciences, Solapur-413004
nadafab@yahoo.com

Abstract

Businesses in the modern day have to contend with a lot of rivals, so they always have to think of new methods to set themselves apart from the competition and show that they are the best in their field. Consumers now have different expectations of the businesses they patronize. They want businesses to care about their communities as much as their customers. To show that they are a "socially responsible company," they are starting to employ cause-related marketing strategies. The term "Cause-Related Marketing" (CRM) refers to the various ways in which

companies help out nonprofits and good causes by forming relationships that involve monetary donations and additional assistance gained through consumers, suppliers, or staff. In addition to boosting brand awareness, this method of advertising may also help improve people's lives. It's a strategy for achieving business goals while also helping solve pressing social concerns by directing capital and other resources toward such causes. To understand the view on purchase of product related to a social cause and to identify the determinants of CrM respondents' priorities. The study has been conducted in Chennai city during the month of March 2022. Total sample respondents from the study area is 150 who have been selected using the convenient sampling method. To rank the type of cause related to CrM, Garrett ranking method and to measure perceptions on cause related marketing, the Likert's Scale have been used.

Keywords: Brand Reputation, Campaigns, Cause-Related Marketing, Charities and Socially Responsible

Introduction

Businesses in the modern day have to contend with a lot of rivals, so they always have to think of new methods to set themselves apart from the competition and show that they are the best in their field. Consumers now have different expectations of the businesses they patronize. They want businesses to care about their communities as much as their customers. To show that they are a "socially responsible company," they are starting to employ cause-related marketing strategies. In addition to boosting brand awareness, this method of advertising may also help improve people's lives. Through the allocation of funds and resources and the realization of marketing goals, it is a method of resolving pressing societal problems. The study delves deeper into the results of cause-related advertising, the factors that have contributed to its meteoric rise in popularity, and the advantages that have resulted from specific campaigns.

Cause perspective of Benefits

Both for-profit businesses and nonprofits benefit from the growing awareness of the need of social responsibility. Beyond the intended benefits, customer relationship management also yields increased national exposure and donations. Berglind and Nakata, there is one primary reason and benefit for a nonprofit to partner with a for-profit organization: We've seen a rise in donations thanks to efforts centered on customer relationship management. Generally speaking, nonprofits cannot sustain or grow their operations only on funds provided by the state. It may be quite productive for charities to rely on corporate support in light of the increasingly competitive environment in which they operate. Therefore, CRM might be endowed with more stretched finances from alternative budget resources; namely, the marketing budgets of businesses. Therefore, according to Austin's depiction, CRM is a vital tool for increasing donations to nonprofits from the business sector. The improved public relations and ability in conveying messages are credible justifications for the increased budget. A charity can gain more attention by forming strategic partnerships and employing customer relationship management tools.

Because the audience for both the organization and its partner is included in the limelight, more people will hear about the nonprofit and its cause. Essentially, this implies that forming a CRM relationship provides the non-profit with significantly greater recognition and visibility than it would have been able to achieve on its own. According to Austin, this is crucial for increasing both membership and donations, since it increases brand recognition and positive public perception. A CRM campaign can help the nonprofit spread its message to more people and increase the efficiency of its efforts. An organization's message is more effective when conveyed through an alliance with a reputable company than when promoted alone by the organization itself because "a message provided through an alliance with a well-known and respected firm is more penetrating and convincing."

Attributes of the FMCG Industry

One of the most important parts of the Indian economy is the fast-moving consumer goods industry, or FMCG for short. Because its products meet people's basic need, it is one of the easiest to spot in the marketplace. The fast-moving consumer goods (FMCG) industry is sometimes misunderstood as a producer of high-end wares aimed at the wealthy, whereas in fact it serves the basic requirements of the middle and lower classes. FMCG firms that have a strong presence among both the organized and unorganized retail network and have a well-established distribution network are more likely to succeed. The majority of the market volume created by this business may be attributed to the low-priced items it produces. Seventy percent of the fast-moving consumer goods industry's sales comes from the lowest and middle-low income brackets in the country. Further, 71% of revenues are derived from agro-based products, making this sector a major impact in the agriculture industry. It's a huge plus that fast-moving consumer goods (FMCG) stores can be found even in the most inaccessible parts of the country that lack basic infrastructure. While a few number of multinational corporations dominate the fast moving consumer goods (FMCG) sector in the United States, the fragmented structure of India's FMCG business presents a huge possibility for branded product penetration. However, there are obstacles that FMCG companies must overcome on the road to a successful launch and expanding market share.

Consumer Related Trends

The market may be experiencing tremendously disruptive and far-reaching impacts. Since the majority of the population consists of people in their twenties, speed has become a major factor in these developments. This is true at both the top and bottom of the consumer pyramid. There is a push toward premiumization across all demographics, from the rural to the urban, and new consumer categories are developing to accommodate these shifts in consumer behaviour. Among male grooming products, the development of fair & handsome for men prompted the creation of further male-based cosmetics. A large section of the population living

below the poverty line is catching up in terms of product knowledge, and this is opening up opportunities for them as well as satisfying their rightful and unfulfilled desires.

Environment Related Trends

There has been a recent uptick in the number of businesses taking a stand on social issues, which has strengthened their brand recognition and credibility among consumers. By bolstering the economy's excitement among the country's most disadvantaged citizens, the government is taking the necessary steps toward India's full economic and social growth. Policies designed to safeguard consumers include price controls and guidelines for preventing food from being adulterated. Many businesses are going green by reducing their carbon footprint throughout the product creation process and include environmental messaging in their offerings.

Key Potential Drivers

Demand Related Drivers: Increasing urbanization, greater incomes and discretionary spending, more private consumption, expanding awareness, and a need for variety all contribute to the massive demand that drives the fast-moving consumer goods industry. Due of its large consumer base, India's fast-moving consumer goods (FMCG) market is enticing to both international and domestic firms. Lifestyle changes as a result of increased disposable income and greater concentration of population are a constant feature of the modern economy. Following Greece and Hong Kong on the list of the world's most brand-conscious countries is India, according to a poll by Neilson. More over a third of Indians (35%) admitted to regularly spending money on luxuries. Cities in the middle and lower economic tiers have grown rapidly as a result of rising wages and living standards. The proliferation of TVs in rural regions has made them a prime target for marketers, despite the fact that their reach is limited.

Market Related Drivers: Because of the aforementioned growth of transaction facilities and the added advantage of inexpensive labour cost, competition among both foreign and local businesses is severe for shelf space. To a large extent, the modern retail sector's explosive growth may be attributed to the rise of supermarkets. There is a lot of rivalry among popular companies because of all of these things.

Environment Related Drivers: The massive and growing population of India is pushing the government to invest in new infrastructure. Increased government spending on energy, aviation, and railway projects, as well as improved communication services that allow citizens to more easily connect with the rest of the world, are all contributing to a rise in demand for fast-moving consumer goods (FMCG) among city dwellers and rural residents alike. Electricity, gas, water, and other utility services as well as the related industries of trade, accommodation, transportation, communication, broadcasting, and the professional and public sectors (including security and safety services) have all shown signs of expansion. Therefore, whether directly or indirectly, they heighten consumers' desire to buy.

Significance of the study

While it's clear that the market for eco-friendly items has grown, whether or not this shift in marketing tactics has been successful is open to debate. Since green or eco-friendly items tend to be a little more expensive than regular ones, even well-informed consumers are hesitant to buy them. Producers in this circumstance would do well to develop some sort of marketing plan or tactic designed to raise customer interest and consciousness about eco-friendly goods. During the previous several decades, the market for green fast-moving consumer goods (FMCG) in India has expanded somewhat. Products with natural ingredients. Consumers now have the knowledge to only buy products that are healthy for them and the planet. Compared to the explosive expansion of traditional fast-moving consumer goods (FMCG), the green industry is still in its infancy. Consumption of eco-friendly products has a significant part in ensuring the long-term success of efforts to maintain our planet's ecology and promote its sustainable development. The interest in eco-friendly fast-moving consumer goods varies greatly by region, level of education, and profession. Therefore, the study's primary objective is to ascertain the level of knowledge consumers have about green fast-moving consumer goods.

Statement of the problem

Competitiveness in the corporate world increases daily. Competition is fierce in today's business world. That's why they're always developing innovative strategies to challenge their rivals and demonstrate their market preeminence. Additionally, clients now have different expectations of businesses. They want businesses they patronize to take greater responsibility for the community in addition to satisfying their own needs. There are several factors that influence a consumer's decision to purchase a product, including the price, quality, good cause, philanthropic benefit, etc., and buyers frequently compare items that are tied to causes before making a final purchase. This is because such thoughts are rarely based on solid evidence.

Research Objectives

1. To understand the view on purchase of product related to a social cause
2. To identify the determinants of CrM respondents' priorities.

Research Methodology

The study has been conducted in Chennai city during the month of March 2022. Total sample respondents from the study area is 150 who have been selected using the convenient sampling method. To rank the type of cause related to CrM, Garrett ranking method and to measure perceptions on cause related marketing, the Likert's Scale have been used.

Findings, Results and Conclusion

Perceptions on Cause Related Marketing: As a consumer's mental stance toward a product or service, marketing perception may be evaluated on its own terms. When a company engages in marketing for a good reason, the target audience must grasp the significance of the effort.

Table 1

Opinion on purchase of product related to a social cause

Sl.No.		Frequency	Percentage
1	Strongly disagree	25	16.67
2	Disagree	26	17.33
3	Neither agree nor disagree	33	22.00
4	Agree	26	17.33
5	Strongly agree	40	26.67
	Total	150	100

From the results of table, it is clearly evident that out of 150 respondents, 40 respondents (26.67%) are strongly accepted that social cause is also playing an important role in purchasing the commodity. And 26 respondents (17.33%) have agreed with the statement, 33 respondents (22.0 %) are neither agree nor disagree with the statement, 26 respondents (17.33%) or strongly disagree, they don't buy a product related to social causes and the rest of 25 respondents (16.67%) are disagreeing with the statement. So, the underlying factor in purchasing decisions of a commodity is not only depending on the social cause.

Preference of Causes

Garrett's ranking method was utilized to identify the most influential variable in determining the respondents' city-specific rankings of CrM. According to this procedure, respondents ranked all relevant elements, and the average of those scores was used to determine the final score.

Table 2

Type of cause related to CrM

Type of Cause	1	2	3	4	5	6	7	8	9	Total
Disaster relief	63	18	10	6	6	3	10	16	18	150
Education	20	17	12	11	13	14	16	34	13	150
Food Security	21	12	14	16	18	15	26	18	10	150
Providing shelter to homeless	19	21	16	17	19	38	12	7	1	150
Reducing child labour	28	21	13	14	27	15	13	11	8	150

Supporting a sport	25	11	6	30	14	15	17	22	10	150
Vaccination campaigns	41	14	13	12	8	9	12	14	27	150
Supporting alcoholics help groups	17	21	9	7	21	7	16	17	35	150
Protect environment	13	17	12	19	20	14	18	21	16	150
Garret Value	81	69	62	56	50	45	38	31	19	

Source: Computed Primary Data

Finally, based on the individual score in Table 2, an average score is calculated and based on the average, the Garrett Ranks are given. Table 3 shows the ranking of priority given for the sources of information.

Table 3

Ranking of Sources of Information from Type of cause

Sl.No.	Type of Cause	Total Score	Average	Rank
1	Disaster relief	8954	59.69	I
2	Education	7342	48.95	VII
3	Food Security	7604	50.69	VI
4	Providing shelter to homeless	8284	55.23	III
5	Reducing child labour	8319	55.46	II
6	Supporting a sport	7729	51.53	V
7	Vaccination campaigns	7973	53.15	IV
8	Supporting alcoholics help groups	6941	46.27	IX
9	Protect environment	7303	48.69	VIII

As shown in table 3, the final scores obtained by application of the Garrett rank approach according to the conventional formula are shown. Only Chennai deserves this position, therefore that's where it stays. Therefore, disaster assistance was ranked first with a Garrett score of 59.69, then decreasing child labour ranked second with a score of 55.46, and finally, providing support to alcoholics' support groups ranked eighth with a score of 46.27.

Conclusion

According to the findings of this study, which are consistent with the existing literature, it is clear that cause-related marketing is a remarkable technique of marketing practice that significantly affects business revenue. Customers' intent to buy was influenced favourably. Because of this increase in brand loyalty, consumers are more likely to buy in bulk, make repeat purchases, and spread good buzz about the brand and the firm. When compared to other forms of advertising, such as discount offers, free samples, and coupons, cause-related marketing is far more versatile and successful. It inexpensive and will aid the company in the long run in

accomplishing its aims. In addition to boosting revenue, it also helps businesses win back loyal patronage from existing clientele. Having a solid reputation in the industry and the approval of customers makes it much simpler for businesses to break into a new market area. The research found that in the unique environment of the fast moving consumer goods (FMCG) industry in Hyderabad, cause-related marketing campaigns positively impacted sales activity. The elements, including brand loyalty and consumer buy intention, that have a favourable influence on sales are the intermediaries in this relationship.

Reference

1. Hasan HuseyinCeylan, BekirKose and Mufit Aydin (2015), “The Impact of Cause and Consumer Related Factors on Purchase Intention in Cause Related Marketing”, Second International Social Business at Anadolu Conference, Anadolu University – Eskisehir, pp.145-151.
2. Mona Chaudhary and Sneha Ghai, “Perception of young consumers towards Cause Marketing of FMCG Brands”, International Journal of Sales & Marketing, Vol. 5 (1), pp.21- 26.
3. NithleshTikoo, Anil Bhat, Jyoti Kachroo, Raina, Sudhakar Dwivedi, Singh, Shellaka Gupta and Jahangir Ali (2015), “Cause importance and Cause familiarity of the Aashirvaad – Boond Se Sagar Initiative of ITC in Jammu City”, Agro Economist – An International Journal, Vol. 3 (2), pp.51 -58.