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**Cause Related Marketing as a Tool to Enhance the Corporate Image**

*“A comparison of awareness and participation in CRM campaigns in Poland and Scotland”*

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supervision of dr hab. Janina  
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BITC	Business in the Community
CBE	Corporate Business Ethics
CCI	Corporate Community Involvement/Investment
CEBI	Centrum of Ethic Business
CEEC	Central and Eastern European Countries
CR	Corporate Responsibility
CRM	Cause Related Marketing ( <i>Marketing Zaangażowany Społecznie</i> )
CSR	Corporate Social Responsibility ( <i>Społeczna Odpowiedzialność Biznesu</i> )
EC	European Commission
EU	European Union
FMCG	Fast Moving Consumer Goods
FOB	Forum Odpowiedzialnego Biznesu
GC	Global Compact
GRI	Global Reporting Initiative
M&S	Marks & Spencer
NGOs	Non Governmental Organizations
OECD	Organization for Economic Co-operation and Development
P&G	Procter & Gamble
PHO	Polish Humanitarian Organisation
PR	Public Relations
RNLI	Royal National Lifeboat Institution
SMEs	Small & Medium Enterprises
SRI	Sustainable Responsible Investments/ Socially Responsible Investment
UNDP	United Nations Development Program
WB	World Bank

## INTRODUCTION

Cause Related Marketing is a relatively new topic in Poland while it has a long history abroad. It is said that history of CRM in Poland is ten – eleven years old. In the late 1990s, there were a few Polish companies which decided to implement CRM campaigns. *The Podziel się posiłkiem*, *Podaruj dzieciom słońce* or *Pajacyk* were ranked among the most recognized programmes. The mechanism has become more complex now and it encompasses various issues and products. To recall just a few: *Cisowianka* and its *Kampania Wodna*, *Żywiec Zdrój* and its *Posadźmy razem million drzew* campaigns.

I first heard about CRM few years ago during a conference devoted to Corporate Social Responsibility. I found it interesting but I was a bit sceptical about the concept. Last year I did my studies in Great Britain where I realized the great power of CRM tool – for a company to enhance its image and increase sales, for non-profit partner to gain resources for the cause and for the consumer to ‘feel good while doing good’. Cause Related Marketing was ubiquitous – by doing everyday shopping I could help so many disadvantaged people and learn so many about other needs. My doubts in CRM were dispelled. To deepen my knowledge I decided to write my master thesis on Cause Related Marketing. I knew it was relatively new topic and the literature available on the market was only in English. This is also the main reason why this work is not written in Polish.

I started searching for books about this topic to better understand the mechanism of CRM. I asked myself a question – why this *win:win:win* strategy is not widespread in Poland while being such a great chance to enhance the corporate image and increase sales while doing something good for the society? Is it because Polish companies are behind the British ones when it comes to CSR in general and CRM in particular? Or because consumers in Poland are mal educated in this field and sceptical about corporate involvement in the society? What is the level of awareness of and participation in Cause Related Marketing programmes, especially among students? Do students in Scotland outnumber Polish students when it comes to education about CRM? This thesis aims at answering these questions.

I hypothesise that:

- Cause Related Marketing is a tool to enhance the corporate image with significant bottom line and community impact

- Level of awareness of and participation in CRM campaigns is higher in Scotland than in Poland
- CRM programmes in Poland would develop in the future

In chapter 1, Cause Related Marketing term would be defined and the general idea about this concept would be introduced. Next, CRM would be presented in CSR and marketing context as those fields overlap. Afterwards, the world's, British and Polish history of Cause Related Marketing would be described and different models of CRM would be presented. In this chapter, I would also present the benefits from implementing the CRM programme for the company, but also for the charity and society as a whole and individual consumer. None of the programmes is risk free, so possible threats and ideas how to change them into opportunities would be also mentioned. The chapter 1 will end with a suggestion on how to design a successful CRM campaign.

Good Causes' practices would be described in chapter 2. One international example of AVON and its *Crusade Against Breast Cancer* was chosen to show a programme's success on a global scale. Three British and three Polish campaigns were chosen to present different CRM mechanisms in those two countries. They represent long term, widespread and the most successful programmes.

Chapter 3 was intended to research Polish and Scottish CRM practice. To measure the level of awareness, participation in and knowledge about those topics I made a research among Polish and Scottish students.

To analyse the results and give some recommendations on future practices, I made five interviews with representatives of the commercial world, NGOs and CSR/CRM consultants. Presented in chapter 4 interviews showed differences and similarities in views on CRM from various perspectives.

During the time this thesis was being written, we witnessed the economic crisis which influenced today's economy and way of doing business. As the crisis was caused by breach of confidence especially in financial corporations, the conscious consumers expect from companies to be more transparent and to take responsibility for their actions. It creates great opportunity for CRM programmes and a hope that these programmes when carefully designed and communicated will become more and more important among Polish corporations as well as charities.

## **1. INTRODUCTION TO CAUSE RELATED MARKETING**

Cause Related Marketing (CRM) is not a completely new idea. However, it has recently been the subject of increased attention, both in the academic and the corporate arena. Companies have realised that consumers expectations go beyond their product or service just satisfying their needs. Pringle and Thompson claims that in order to remain competitive, the companies have to differentiate themselves by demonstrating their role in the society (2001, p.3).

“The 21<sup>st</sup> century companies will be different. Many of Britain’s best known companies are already redefining traditional perceptions of the role of the corporations. They are recognising that every customer is a part of a community, and that social responsibility in not an optional extra” (Tony Blair, cited in Adkins, 1999, p.3).

### **1.1. DEFINING CAUSE RELATED MARKETING**

Pringle and Thompson (2001, p.3) define Cause Related Marketing as a “strategic positioning and marketing tool which links a company or brand to a relevant social cause or issue, for mutual benefit”. Business in the Community (BITC) refers to CRM as a “commercial activity in which companies and non-profit organizations form a partnership to market an image, product or service for mutual benefit”<sup>1</sup>. For Forum Odpowiedzialnego Biznesu (FOB) Cause Related Marketing is a linkage of company’s bottom line with social cause which allows creating a programme to match company’s needs with social issues<sup>2</sup>.

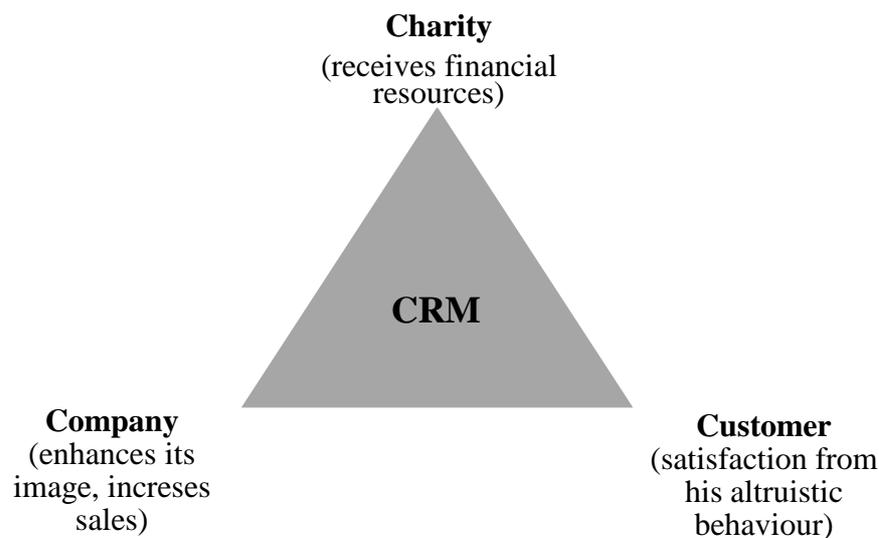
Critical words within all the definitions above are: commercial, partnership and mutual benefit. Maison & Wasilewski (2008, p.121) define CRM as the triangular system of exchanged benefits. The charity as a donee is situated at top of the triangle, and donors: customers and companies are placed at the bottom of the pyramid.

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<sup>1</sup> <http://www.bitc.org.uk>

<sup>2</sup> <http://fob.org.pl>

**Figure 1** The three-cornered system of exchanged benefits in CRM.



Source: *Maison & Wasilewski, 2008, p.121*

Neither the company's nor the charity's participation in the alliance is unbiased. They enter the partnership to meet their objectives and to receive a return on investment (which can be cash, time or other resources), (Adkins, 1999, p.11). This is what differentiates CRM from *corporate philanthropy* described as "the giving (without expectation of direct corporate gain) of charitable financial and in-kind grants by companies or their corporate foundations"<sup>3</sup>. Kotler and Andreasen (1995, p.305) suggests that the most important criterion which distinguishes CRM from traditional corporate philanthropy is "whether charitable donations from a cause related marketing program come out of the firm's marketing budget or out of its regular charitable donations."

The key issue which requires further explanations is whether to choose a cause or a charity. The reasons for 'going direct' to the cause is that the 'ownership' of the campaign is a major benefit to the company or brand. Tesco, one of the biggest retailer in Great Britain went 'direct' and developed a highly successful *Computers for Schools* campaign (Tesco gave vouchers for every £10 spent which were then donated to the school chosen by the customer) which turned out to be the best known CRM activity in the UK.

On the other hand, using the charity as 'a vehicle' for the brand's involvement brings benefits when it comes to credibility, distribution and expertise. Many charities (especially on the British market) have already established powerful brands and can add value to commercial

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<sup>3</sup> <http://www.causemarketingforum.com>

products and services (Pringle and Thompson, 2001, pp.4, 128-129). This happened in the case of Andrex, the UK brand of toilet paper (with its famous golden labrador puppy), which made a link with Guide Dogs for the Blind Association (tokens were printed on the packaging that could be collected and sent back to Andrex what resulted in a donation to the charity).

Building a sustainable Cause Related Marketing campaign is a difficult task as it links the commercial and voluntary world. It requires from both parts a long-term partnership based on coherent vision and mutual benefits. It means that all parties involved strive to achieve their objectives but none of them gain at the expense of the other (Adkins, 1999, p.12). Cause Related Marketing is therefore a *win:win:win* scenario where not only the charity or cause and business benefit but also the consumers and other stakeholders. The consumer benefits from the arrangements with the revenue diverted to the charity or cause supporting work (Mintel, 2000).

## **1.2. HOW CAUSE RELATED MARKETING HAS DEVELOPED?**

This question can be explained by increased competition on the FMCG market and equalization of products quality. As a consequence there is a problem how to differentiate products nowadays. Fifty years ago, *quality* was the main differentiator. When most products equalized their quality, *emotions and brand image* came into prominence. Currently, emotions are not enough to increase sales but *brand spirit* is of consequence (Maison & Wasilewski, 2008, pp.122-123). On the other hand, Pringle and Thomson (1999, pp.64-87) explain the evolution of CRM through the marketing context and its role in brand building. They mention three waves in branding: rational, emotional and a spiritual one, which tie in very closely with Maslow's hierarchy of needs.

Maison and Wasilewski (2008 pp.122-123) indicate the natural link between the development of brand personality and Maslow's hierarchy of needs. Maslow's pyramid consists of five levels: the lowest level is associated with physiological needs, then safety, social and self-esteem needs. The uppermost level is associated with self-actualization needs, particularly those related to identity and purpose. Higher needs in this hierarchy only come into focus when the lower needs are progressively satisfied (Pringle and Thompson, 1999, pp.26-27).

Maslow's model can be used to understand consumers' motives for action. Products have to satisfy the lower needs and then it can move to upper levels. All products, in the first place have to meet the basic needs linked to their functions: e.g. car is basically a mean of transport.

This stage of development of brand personality corresponds with realization of Maslow's psychological and safety needs.

Due to technological progress, the product only slightly differs from competitors' ones. Creation of brand image is necessary for its further differentiation. Advertisement and packaging is of great importance as it gives consumers the sense of belonging to certain group (e.g. car for a real man, mobile phone for elegant woman). Brand spirit is the most important stage of brand development. The spirit appears when the brand satisfies upper level needs – equivalent of Maslow's self-realization needs. CRM is a way to achieve this goal.

### **1.3. CAUSE RELATED MARKETING IN THE CONTEXT OF CORPORATE SOCIAL RESPONSIBILITY**

Rok states that “new challenges creates new trends” (2004, p.2) while Adkins adds “what was value added yesterday is the value expected today” (Adkins, 1999, p.27). Those concepts explain the latest ‘fad’ of Cause Related Marketing and Corporate Social Responsibility (CSR). Those initiatives which were previously reserved for multinationals are now expected from all companies. The consumer became more aware and his expectations from companies are higher.

Cause Related Marketing is a way of demonstrating the organization's Corporate Social Responsibility and bringing it to the attention of customers and other stakeholders (Adkins, 1999, p.32). There are many incentives for corporations to follow the path of responsible business. Globalization and increased competition are only some of them. High expectations of employees, investors, social environment - called stakeholders, force the use and implementation of any form of Corporate Social Responsibility.

Cause Related Marketing is intrinsically linked to Corporate Social Responsibility, corporate affairs, community investment and marketing. The linkage is presented in the Figure 1. Adkins (Ibid., p.49) claims that the fit between them forms a matrix which makes up Corporate Social Responsibility. It is however disputable that marketing sets up CSR.

**Figure 2** The intersection between Cause Related Marketing, marketing, corporate community investment, philanthropy and Corporate Social Responsibility.



*Source: Adkins, 1999, p.49*

Corporate Social Responsibility initiatives have become prominent and increasingly popular in recent years. CSR is a concept which embraces many issues. Starting with relations with employees, transparency with stakeholders, through involvement in the development of local society and ending with the implementation of ethical standards.

Commission of the European Communities defines Corporate Social Responsibility as “a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment. This responsibility is expressed towards employees and more generally towards all the stakeholders affected by business and which in turn can influence its success” (Green Paper, 2001). Davis (1973, p.313) claims that “social responsibility begins where the law ends”.

According to FOB, Corporate Social Responsibility is a voluntary strategy which takes into consideration social, ethical and environmental aspects in commercial activities and in relations with stakeholders (employees, clients, shareholders, suppliers, local community etc). It is a business contribution to implementation of sustainable development policy and method to balance between company bottom line and social issues<sup>4</sup>. To find out more about CSR see Filek (2006). To become acquainted with arguments for and against Corporate Social Responsibility see Friedman (1970), Crook (2005), Filek (2005) and Porter & Kramer (2007).

<sup>4</sup> <http://www.odpowiedzialnybiznes.pl>

## 1.4. VARIOUS CSR PROGRAMMES AND ACTIVITIES

Corporate Social Responsibility can be performed through a variety of equivalent programmes and activities.

### 1.4.1. SOCIAL AND ECO-LABELS

According to Ecolabel Organization, eco-label is “a logo that identifies a product or company that has met an environmentally preferable standard<sup>5</sup>”. The main reason to use the eco-label on company’s products is to make it easier for consumers to find and buy the eco-friendly product. The information can be related to recycling, not testing the products on animals, respecting the human rights etc.

Very good example of responsible eco-label is a Fairtrade mark. Fairtrade is “a tool for development that ensures disadvantaged farmers and workers in developing countries get a better deal through the use of



the international FAIRTRADE Mark”<sup>6</sup>. The main purpose of this foundation is to create opportunities for those who are economically disadvantaged by the traditional trading system. Body Shop’s Community Trade was the first fair trade programme of its kind in the cosmetics industry. Body Shop has run this programme since 1987. It covers today 28 suppliers across 21 countries<sup>7</sup>. The percentage of products which contain Community Trade ingredients exceeds 60%.

### 1.4.2. PUBLIC SERVICE ADVERTISING

Public service advertising is defined as a use of commercial advertising techniques for non-commercial purposes. Typical topics for public service advertising include public health/public safety issues, emergency preparedness instructions, natural resources conservation information, and other topics of broad interest. The main partners involved could be: corporations, media, community, organizations, governmental organizations and they contribute financially, materially or by providing services. The main difference between public service advertising and cause related marketing is the main purpose – to draw attention to the public issue. There is no selling linked to it (Rok, 2004).

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<sup>5</sup> <http://ecolabelling.org>

<sup>6</sup> <http://www.fairtrade.org.uk>

<sup>7</sup> [http://www.thebodyshop.co.uk/\\_en/\\_gb/services/pdfs/AboutUs/The\\_Body\\_Shop\\_Values\\_Report\\_2007.pdf?](http://www.thebodyshop.co.uk/_en/_gb/services/pdfs/AboutUs/The_Body_Shop_Values_Report_2007.pdf?)

*STOP wariatom drogowym* campaign stamps drivers' irresponsible behaviour. It makes them aware of the danger of speeding, carelessness and driving after drinking. The aim of the campaign is to make them reflect on their behaviour on road. This public service advertising was prepared by PZU S.A. The success of the campaign (prepared by advertising agency JUST) was proved by decreased number of car accidents<sup>8</sup>.

#### 1.4.3. CAUSE RELATED MARKETING

Cause Related Marketing was defined in the previous chapter and will be described in depth throughout all this work.

#### 1.4.4. CORPORATE GOVERNANCE

Corporate Governance is a framework used to control and coordinate the behaviour of shareholders who cooperate with the management board in order to achieve goals and fulfil the company tasks more efficiently. This system's aim is to reassure the balance of the business and interest of all stakeholders engaged in running the company: investors, managers, employees, suppliers, customers, local communities etc. (Rok, 2004, p.36).

Organisation for Economic Co-operation and Development prepared Rules of Corporate Governance in 1999. "Corporate Governance looks at the institutional and policy framework for corporations - from their very beginnings, in entrepreneurship, through their governance structures, company law, privatisation, to market exit and insolvency. The integrity of corporations, financial institutions and markets is particularly central to the health of our economies and their stability<sup>9</sup>".

Polish Stock Exchange introduced in 2002 *The Best Practices of Public Companies 2002* (and updated in July 2007 as *The Best Practices of WSE Listed Companies*) which includes detailed principles of proper behaviour directed to management and all shareholders<sup>10</sup>.

#### 1.4.5. SOCIALLY RESPONSIBLE INVESTMENT

Socially Responsible Investment (SRI) "recognizes that corporate responsibility and societal concerns are valid parts of investment decisions<sup>11</sup>". SRI Programmes considers both the investor's financial needs and an investment's impact on society. Companies engage their

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<sup>8</sup> <http://www.stopwariatom.pl>

<sup>9</sup> <http://www.oecd.org>

<sup>10</sup> <http://www.corp-gov.gpw.pl>

<sup>11</sup> <http://www.socialinvest.org>

know-how, products and services they specialise in or their specialists. They fulfil their potential and increase the effectiveness of their activities. Companies which care about the motorization and conditions of roads (3M, ABB, BP, Daimler Chrysler, Michelin, Renault, Shell and KRBRB, CEE Fleet Management Institute) have created the polish programme within the framework of Global Road Safety Partnership<sup>12</sup>. Individuals as well as institutions (companies, universities, hospitals, foundations, and insurance companies), non profit organizations, public and private pension funds and religious institutions could represent the socially responsible investors.

#### 1.4.6. CORPORATE ETHICS PROGRAMME

More and more companies are interested in implementation of ethical programmes in their companies. They have been involved in ethical behaviour partially due to the pressure from the customers, competitors and other stakeholders but mainly in consequence of famous scandals and economic swindles voiced by public opinion. According to Lewicka-Strzańska, corporate ethics programmes accomplish internal and external functions (1999, p.163). Realization of company objectives and accepted performance which lead to their achievement are ranked among the most important internal functions. The external one lies in the support of company goodwill and its positive image. Lewicka-Strzańska claims that good reputation could be an asset used to enhance the effectiveness of publicity. Nevertheless, one cannot build good reputation based on good publicity (Ibid.).

Corporate Ethics Programme consists of three elements:

- 1) Formalized code which consists of ethical standards recognized by the company (corporate mission, ethical code, ethical and professional standards, ethical behaviour advertising, monitoring of ethical performance, ethical audit etc) (Rok, 2004, p.20)
- 2) Trainings, where all employees are acknowledged with the code and standards
- 3) Ethical unit (which usually consists of ethics officers) which monitors compliance with the code and is responsible for its constant improvement (Lewicka-Strzańska, 1999, p.161)

Gasparski *et al.* emphasise the importance of conducting periodical ethical audits and creating ethical hotline (2002, p.26). Their main objective of the full programme is to *prevent-detect-report-correct* unethical behaviour. Lewicka-Strzańska claims that companies can benefit from implementation of effective ethics programmes through the creation of positive image,

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<sup>12</sup> <http://www.fob.org.pl>

reduction of conflict of interests and abuses within the company (theft, bribery, fraud etc.), increased trust of employees, clients and other stakeholders (1999, p.163). Gasparski *et al.* adds increased loyalty of employees and credibility of staff (2002, p.28).

Schenker is one of the companies which realised that “to be successful, companies must make sure that their business operations cover economic, ethical and ecological aspects<sup>13</sup>”. By its pro-social and pro-environmental actions, Schenker strengthens the image of a professional logistics operator.

#### *1.4.7. CORPORATE COMMUNITY INVOLVEMENT*

Corporate Community Involvement (CCI) is a term to define various activities lead by the company which are related to community issues and solving problems of local community. The level of company involvement depends on set goals and expected results. Those activities yield profits to both: the community and the company.

The company is not only a donor, but benefits also as a donee from its own community investments. The correlation between healthy community and the company success induces the latter to more investment in the former one. Local community becomes one of the most important stakeholders for the company what can be seen in the way the company recruits people, trains them, promotes and sells its products or provides its services. Quoting Rok (2004): “preparing proper corporate community involvement could become the best seen and the most satisfying part of social responsibility strategy”.

The company can involve itself in local community at different levels. Commercial activity is the basic level while commercial initiatives in the community, community investment and charity are the voluntary ones.

Thanks to CCI, the company gains in the eyes of the public opinion and enhances its reputation. According to Wasilewski (2007, p.15) through company’s involvement in local community, it can solve social problems e.g. unemployment, delinquency or apathy.

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<sup>13</sup> <http://www.schenker.pl>

**Figure 3** A characterization of the company in society. The LBG Model.



Source: *The London Benchmarking Group*

The business basics embrace core activities in meeting society's needs for cost effective goods and services which are ethically, socially and environmentally responsible. Those activities require regulation by law so they are obligatory for the company. The second level – commercial initiatives in the community – refers to commercial activities sponsored by the company which support the success of the company by promoting its corporate brand identities and other policies (in partnership with community-based organizations or charities)<sup>14</sup>.

Plus (Polkomtel S.A.) patronage on National Gallery in Warsaw can serve as a great example. It started in 2001 when Plus sponsored the exhibition of French impressionism called *From Manet to Gauguin*<sup>15</sup>. The partnership between Plus and National Gallery bears fruits in annual special exhibitions.

Community investment is definitely a voluntary level with a long term strategic partnership. By addressing a limited range of social issues the company can enhance its reputation and protect its long term interests e.g. Masterfoods cooperation with Towarzystwo Przyjaciół Dzieci Sochaczewa. As a part of company team building, around 40 employees rebuilt the local kindergarten and Masterfoods assigned 50,000 PLN for equipment (Rok, 2004).

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<sup>14</sup> <http://www.lbg-online.net>

<sup>15</sup> [http://www.plus.pl/plus\\_sponsorem/kultura\\_i\\_rozrywka/archiwum/muzeum\\_narodowe\\_archiwum/](http://www.plus.pl/plus_sponsorem/kultura_i_rozrywka/archiwum/muzeum_narodowe_archiwum/)

The charity level embraces the philanthropic activities – donations to charities, non-governmental organisations or individuals. They don't support any interests of the company and don't intend to promote its brand.

The Leopold Kronenberg Foundation was created by Citi Handlowy to promote the public good in the areas of education, culture, environment, health and local development. Foundation created its own application procedures to increase the effectiveness initiatives. In 2008 the Foundation allocated 63 grants which exceeded 1.3 million PLN<sup>16</sup>.

### **1.5. CAUSE RELATED MARKETING IN THE CONTEXT OF MARKETING**

Talking about CRM one cannot forget to place it in the marketing context. Marketing is defined by Kotler and Armstrong (1989, p.5) as “ a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others.” There is no doubt about company's need and want to be competitive on the market. In its fight for the market share it seeks new instruments inside marketing-mix. Moreover it pays more attention to social problems. It requires a change in tools company uses in its marketing communication strategy. CRM became an extremely effective way of promoting and leveraging organization's corporate social responsibility. Dołhasz (2005, p.104) indicates on additional means and philanthropy among them. According to Adkins (1999, p.50), Cause Related Marketing is simply “a strategy that provides additional marketing opportunities for businesses and an additional fundraising tool for charities or causes.”

Steckel *et al.* (1999, p.48) argues that CRM is strictly a marketing. “A commercial activity. It has a philanthropic result, but its primary purpose is sales.” Having the ability to “enhance corporate and brand reputation, demonstrate values, build loyalty and relationships, generate trail, awareness, PR, provide product differentiation and sales” (Ibid.), Cause Related Marketing falls within competence of marketing but should be developed in cooperation with other departments.

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<sup>16</sup> <http://www.citibank.pl/poland/kronenberg/polish/index.htm>

## **1.6. THE HISTORY OF CASE STUDIES OF CAUSE RELATED MARKETING IN GREAT BRITAIN AND IN POLAND**

### *1.6.1. FIRST CAUSE RELATED MARKETING CAMPAIGN*

The first Cause Related Marketing campaign was initiated and named by American Express in 1983. It started with pilot schemes of donation funds to different non-profit organizations. Every time somebody used the American Express Card, two cents were donated. It contributed to increased usage of cards. The aim of that campaign was to encourage people to use their cards for day to day living by giving them local causes. From 45 different causes supported by American Express during years 1981-1984, the Restoration of the Statue of Liberty project is the most famous one. This campaign generated contribution of \$1.7 million. The biggest success from company point of view was the increase of card holders by 45% and card users by 28% (Adkins, 1999, pp.14-16).

### *1.6.2. CRM PROGRAMMES IN THE UNITED KINGDOM*

The Captain's Birds Eye and its charity partner the Royal National Lifeboat Institution (RNLI) are some of the earliest recorded practitioners of CRM in the United Kingdom. The RNLI is a charity which operates lifeboats on behalf of the community and has its origins in 1824. The partnership between Birds Eye Fish Fingers and RNLI was based on simple mechanism. Tokens were printed on the packets of fish fingers which consumers could send back to raise money for a new lifeboat. Five pence were paid for every token sent and £4,711 was raised for RNLI. Birds Eye benefited from increased sales and market share. In second edition, the emphasis was put on the awareness of RNLI activities and educating people on how to help its charitable work. RNLI continues with CRM to this day by partnerships with Sainsbury and Royal Bank of Scotland (Adkins, 1999, p.121).

Another example of early start of CRM campaign (1975) is PizzaExpress' partnership with Venice in Peril fund. The simplicity of this programme was based on donating 25p from each Veneziana – pizza created especially for the purpose of the campaign – to the fund. Customers were given a great chance to “satisfy their appetite whilst contributing to the preservation of some of the world's most breathtaking buildings and cultural artefacts<sup>17</sup>”. Over the past 25 years more than £1.7 million was raised.

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<sup>17</sup> <http://www.pizzaexpress.com/>

### 1.6.3. INTRODUCING CRM IN POLAND

First CRM campaigns were introduced in Poland in the mid nineties. Dołhasz (2005, p.109) indicates that Goplana's cooperation with Centrum Zdrowia Dziecka was probably the first CRM programme in Poland. It was based on on-pack coupons and each chocolate bar could hide a financial prize which was then split between a person who purchased this chocolate and Centrum Zdrowia Dziecka. This campaign resulted in donating 125,000 PLN and enhancing company image. Even though it is said to be the first CRM campaign it was a single event contrary to the next example.

The national campaign *Podaruj dzieciom słońce* (eng. Give children the sunshine) started in 1999 as a result of cooperation between Fundacja POLSAT and Procter&Gamble. The goal was to raise money to save lives of children<sup>18</sup>. This activity was three-month long and gathered eight leading brands: Vizir, Ariel, Bold, Bonux (washing detergents), Pampers (nappies), Always (towels), Blend-a-Med (tooth paste), Pantene Pro-V (shampoo). Products which participated in the campaign were marked with the logo (sun with a smile). Two percent of the price of each of those products was assigned to save lives of those in need.

The *Podaruj dzieciom słońce* campaign with its nine editions is the biggest Cause Related Marketing programme in Poland. Money raised from the sale of marked products exceeded 36 million PLN.

*Pajacyk* (eng. Wooden Puppet) is a name of the programme which fights the malnutrition of pupils in Polish primary schools. This campaign was started in 1998 by Polska Akcja Humanitarna (eng. Polish Humanitarian Organisation – PHO). In addition to the fundraising activities, there is an awareness campaign on the difference between malnutrition and hunger and their consequences. To achieve the goal, the *www.pajacyk.pl* website was created. By clicking on the wooden puppet icon, warm meal sponsored by campaign partners was given to a child. It was the first programme in CEECs to use click-to-donate as a fundraising tool with over 30,000 visitors a day. Since the beginning of the *Pajacyk* programme, more than 3.3 million warm meals were sponsored<sup>19</sup>. The success of this programme contributed to its extension to children in Lithuania and similar activities undertaken in Romania, Iran and Afghanistan.

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<sup>18</sup> <http://www.fundacjapolsat.pl>

<sup>19</sup> <http://www.pah.org.pl>

## 1.7. MODELS OF CAUSE RELATED MARKETING

Cause Related Marketing can appear in many forms including advertising, public relations (PR), sales promotion, sponsorship, licensing and direct marketing. The models differ between countries. Moreover “terms have a tendency to change with time and usage” (Steckel *et al.*, 1999, p.48). Steckel *et al.* also claim that practices that did not strictly belong to CRM (sponsorship or strategic philanthropy), are now commonly referred to as if they were CRM<sup>20</sup>.

### 1.7.1. ADVERTISING

“If a company runs an advertisement on behalf of a charity and puts its name on the end as the sponsor, this is CRM being used in advertising or cause related advertising” (Intel, 2000, p.16).

To increase the impact of CRM message, the organization has to bring it to a wide audience. Advertising includes a variety of media: TV, internet, magazines/newspapers, press etc. CRM advertising can communicate a particular sales promotion (e.g. Tesco’s *Computers for Schools* programme) or a particular cause.

TV commercials can add great value to both the company and the charity/cause. Avon promoted its cause message by funding documentaries on breast cancer broadcasted in the TV. It was a part of Avon Crusade Against Breast Cancer (Adkins, 1999, pp.116-117). Very powerful example of cause advertisement was developed in the United States. Members Only (clothing brand) directed all of its marketing funds to design an advertisement which would encourage people to vote. It screened the footage of Hitler and Mussolini followed by a powerful end line saying: “200 years ago the constitution of the United States suggested a very simple way to keep idiots like these out of our government. There is no excuse not to vote” (Adkins, 1999, p.116).

### 1.7.2. PUBLIC RELATIONS

Effective communication of Cause Related Marketing activities is a key to effective campaign. It is important that the communication is open, sincere and transparent. PR coverage of CRM has to prove that the relationship of both parts – the organization and the charity or cause is based on mutual respect and benefits. Avon and The *Fashion Targets Breast Cancer* or Persil and their *Go Red* for Comic Relief programme are prime examples.

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<sup>20</sup> Ibid.

It is not appropriate for the organization to spend more money on marketing their activities that it actually is investing in it.

### 1.7.3. SALES PROMOTION

Sales promotion is a very broad category. One of the most frequently used mechanism is purchase triggered donations. The company obliges itself to donate a percentage of a product's price to a cause or charity. Daddies Tomato Ketchup pledged to pay 1p from each tomato sauce to NSPCC. It raised £250,000 during two and a half years.

BT Mobile designed a promotion which offered £4 to Whizz-Kidz for every new connection made. During three months £50,000 was generated.

Great example of purchase triggered donation in Poland is Danone and its *Podziel się posiłkiem* programme (eng. Share your meal). It takes place every year on September and October – small percentage of the value of marked dairy products is directed to fight malnutrition and educate people on its consequences. During five editions more than 7 million of meals<sup>21</sup> were donated to children.

Another frequent mechanism for Cause Related Marketing is a voucher collection scheme. Tesco with its *Computers for Schools* programme is a demonstration example. The campaign was launched in 1992. For each £10 spent in-store, customers were given a voucher which could be then donated to the school of their choice which redeemed them for a brand new computer equipment (Pringle and Thompson, 2001, pp.16-18). Vouchers scheme was also used by Walkers Crisps to be redeemed on free books. Tokens were printed on crisp packets, The Times, The Sun, The Sunday Times and The News of the World and collected by schools were exchanged for free books. A great number of 99% of schools registered themselves in the schemes (Adkins, 1999, p.126).

Charitable donations can be also made through games and competitions. An individual can win a prize and a donation is made to charity. Barclays Plc ran a programme during November 1998 which aimed at reviewing savings arrangements of bank customers. When a customer arranged a meeting with a personal banker he received a set of Christmas cards which supported Save the Children. Each card could hide a financial prize. For each prize claimed the bank made a matched donation to Save the Children (Adkins, 1999, p.129).

Very similar to voucher schemes is a self-liquidating Cause Related Marketing Promotions. The main difference between them is a small cost which is bore by the consumer. The small

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<sup>21</sup> <http://www.podzielsieposilkiem.pl>

price paid, finances the offer. This type of promotion was developed by Nouvelle (manufacturer of recycled kitchen and toilet paper) in conjunction with Great Ormond Street Hospital Children's Charity. Customers were encouraged to buy Peter Pan room decorations to raise money for the charity. To receive the decorations customers had to send tokens with little payment to Nouvelle which doubled the payments to the charity (Adkins, 1999, p.130). Under 'New for old' mechanism, consumers are encouraged to trade their old products for a new one. This scheme was used by Austin Reed stores when developing *The Suit Exchange*. During two weeks, customers were offered £30 off any new suit (£50 for suits over £300) when trading the old one. Dry cleaned old suits were donated to Shelter charity which addresses homeless issues. Apart from that, for every suit donated, £5 contribution was made to the charity (Adkins, 1999, p.131).

#### *1.7.4. SPONSORSHIP*

Cause Related Marketing partnership can be realized through sponsoring a particular event or programme. The cause or charity is that what differentiates it from standard sponsorship or philanthropy. The relationship between the organization and charity is widely promoted to generate positive publicity. British Telecom (BT) sponsors BT Swimathon which raises over £12 million. Each year BT chooses the main beneficiary which receives 70% of raised funds. Remaining 30% are shared between Disability Sports England, the British Paralympic Association, the UK Sports Association and the Amateur Swimming Association. This largest fundraising swim marathon in Europe resulted in £2 million generated as a return of £500,000 invested in the programme (Adkins, 1999, pp.119-120).

#### *1.7.5. LICENSING*

In this form of CRM the company pays for the licence to use the charity logo on its products or services. Its main objective for the company is to increase sales and benefit from the halo effect of the charity. The charity benefits from the money raised.

Example of the use of the licensing will be Crown Wallcoverings and WWF. As a result of the agreement between them the company developed *Go Wild!* range of wall coverings with a wildlife designs. For every *Go Wild!* roll sold Crown made a donation to the WWF up to £25,000 (Adkins, 1999, p.120).

### 1.7.6. DIRECT MARKETING

Many charities, especially in the United Kingdom are experts in managing multimillion records databases of direct marketing. CRM practitioners realized its power to communicate the message of cause marketing. The companies strive to make a partnership with charities to get the access to their databases. It is up to charity whether or not it makes it available for the company. The credit card company gains access to the database of potential customers whilst donating small percentage of each transaction to the charity (Adkins, 1999, pp.121-122).



This form of Cause Related Marketing is widely used in affinity credit cards. The affinity credit card allows its holder to raise extra money for a good cause every time he/she uses its card. In the UK it started in 1987 when Bank of Scotland Direct launched the NSPCC (The National Society for the Prevention of Cruelty to Children) card. Bank of Scotland agreed to donate £20 to the NSPCC with the first card usage, and an additional 25p for every £100 spent<sup>22</sup>. During 2004-2005 only, NSPCC cards' holders contributed £3.9 million to end cruelty to children as well as raise awareness of vital child protection issues<sup>23</sup>. Around 20% of all UK cards in 1999 were affinity cards. Since the first affinity credit card more than £40 million has been generated for various charities and causes (Adkins, 1999, p.121).



In Poland affinity credit cards become more and more popular. First affinity card was issued by Invest Bank and Polsat Foundation in 2002. All non-cash transactions made by this card were charged 1.5% of their value and 0.5% was donated to the Foundation. Once a year, the card holder receives a statement with a value of donation made thanks to his usage of the card<sup>24</sup>.

### 1.7.7. FACILITATED GIVING

In this form the organization is a vehicle which facilitates the customer donations to the charity or cause. It can be the simplest way to make a positive difference by the organization. As it was shown in a research, linking with a cause could make the consumers switch between brands which offer equal price and quality. Sheraton Hotels (taken over by Starwood Hotels

<sup>22</sup> <http://www.charitycard.co.uk/nspcc>

<sup>23</sup> <http://www.nspcc.org.uk>

<sup>24</sup> <http://kartyonline.pl>

and Resorts) facilitated donations giving to UNICEF. Their programme *Check out for children* embraced 154 hotels in 123 cities in 48 countries. The mechanism of the programme was very simple. Upon arrival each hotel guest was invited to add \$1 (or local currency equivalent) to its bill which was donated to UNICEF. Guests could increase or decrease the donation. Till now \$16 million have been raised to support life-saving immunization programmes for children throughout the world<sup>25</sup>.

### **1.8. REASONS FOR AND BENEFITS FROM CRM IMPLEMENTATION**

“Communities care, charities and causes care, consumers care, the media care, the city cares and businesses care” (Adkins, 1999, p.61). Cause Related Marketing has a potential to make a positive difference to all stakeholders. As CRM is much connected with term *stakeholders*, it is worth mentioning here its meaning. Rok (2004, p.19) notices, that word *stakeholders* is probably the most important term which appeared in business dictionaries together with *corporate social responsibility*. The very first definitions were identified by Edward Freeman in 1984. The narrow one claims that: “stakeholder includes those groups who are vital to the survival and success of the business/function” while the broader definition “includes any group or individual who can affect or is affected by the business/function” (Freedman quoted in Garavan, 1995, p.11). The Caux Round Table in *Principles for Responsible Business* (1994) defined that “key stakeholder constituencies are those who contribute to the success and sustainability of business enterprise”. This definition embraced consumers, employees, shareholders, suppliers, competitors and communities. Gasparski *et al.* (2002, p.24) add other groups of stakeholders and make a division between internal (owners, shareholders, managers, employees and trade unions) and external stakeholders (clients, suppliers, distributors, competitors, local authorities, environment, local society etc). Porębski (1997, pp.43-44) in turn, classifies stakeholders into three groups: those who form the company through their work (employees, managers, shareholders), those who interact with the company in a direct way (consumers, suppliers, distributors, competitors etc.) and finally – various communities. The Figure 4 shows possible stakeholders of a company and charity.

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<sup>25</sup> <http://www.unicef.org>

**Figure 4** An organization/charity and its stakeholders.



Source: Own elaboration based on Adkins 1999, p.63; Rok 2004, p.19

#### 1.8.1. FOR THE COMPANY

The reasons why company involves itself in Cause Related Marketing activities are varied. Berglind and Nakata (2005, p.447) argue that “CRM’s primary value to businesses is financial” as it helps the bottom line.

Adkins (1999, p.61) indicates that general business is driven by demonstrating corporate social responsibility, reinforced image and demonstration of organizational values. Furthermore, CRM can enhance business credibility and corporate reputation which is according to Farache *et al.* (2008, p.213) “the most important strategic and durable asset that a corporation posses”. Berglind and Nakata (2005, p.448) add here the importance of goodwill generated through CRM partnerships. They claim that especially in times of crisis, goodwill may be crucial to prevent long term damage and reverse the negative publicity.

Marketing department objectives embrace reinforcing the brand, its value and its personality while building awareness and relationship with consumers, developing loyalty to the brand, emotional engagement of the customer and finally increasing sales, incomes and volumes (based on Adkins, 1999, pp.61-62). The list can be extended by “company’s products low-cost exposure, increased product’s ability to win customer support, and break through the

advertising clutter in the marketplace (...) and favourable purchase intentions toward the firm's brands" (Chiagouris and Ray, 2007, p.48). Steckel *et al.* (1999, p.13) underline the role of CRM in attracting the media coverage: "new+worthy=newsworthy" and product and service differentiation in an age of "me-too" advertising.

Endacott (2004, p.183) and Du, Hou and Huang (2007, p.96) specify less tangible reasons for company engagement into a CRM partnership which embrace being seen as good corporate citizen, helping local community, communicating the essence of the company's mission, upgrading organizational cohesiveness and motivating staff. Chiagouris and Ray (2007, p.48) add favourable customer attitudes toward the sponsoring firm.

From the point of view of human resource department, the desirable outcomes of the CRM campaign are: team work, increased staff motivation, improved employees' morale and retention, enthusiasm among staff and attracting the best potential employees (Adkins, 1999, p.62; Farache *et al.* 2008, p.213; Berglind and Nakata, 2005, p.448).

#### 1.8.2. FOR THE CAUSE AND CHARITY

"Charities and causes are working with the same demands as business, it's simply that the market sector, and products that are different" (Adkins, 1999, p.100). Therefore charities have very similar objectives to those of the company: "image enhancement, awareness, relationship building, loyalty and finally increased sales or income." (Ibid.)

Moreover, through the engagement in CRM partnership charities gain additional funds and in-kind donations essential for their activities. Partnership with a commercial body becomes a stable source of incomes for the non-profit and the amount can be easily forecasted based on the sales plan (Limański and Drabik, 2007, p.144). Farache *et al.* (2008, p.214) emphasise the importance of free publicity and public awareness for both the cause and non-profit organisation what can increase the number of organisation's volunteers in the short term. In addition to financial resources, CRM alliance presents enormous opportunities to the non-profit organisation. Farache *et al.* (Ibid.) mention professional skills, technical knowledge and distribution networks. Berglind and Nakata (2005, pp.448-449) add "marketing talent and business acumen to the development and implementation of campaigns" as well as "human resources in the form of new volunteers and advocates for its cause".

Cause Related Marketing has a great potential to generate additional resources of funding the voluntary sector. The switch from companies being patrons to charities (e.g. philanthropy) to equal partnership is the future of reality (Adkins, 1999, pp.101-111).

### 1.8.3. FOR THE SOCIETY AND CUSTOMERS

The consumer demands and expects from corporations to be socially responsible. Research showed that “Cause Related Marketing and Corporate Social Responsibility had a highly positive impact on their perception of the company” (Corporate social responsibility report, MORI, 2002). Six in ten of British public chose or boycotted a product or company for ethical reasons (Ibid.). Research carried out by The Prince of Wales and Business Leaders Forum and AIESEC found that more than half of respondents made buying decision based on environmental or social influences and almost half of them had not bought products because they were not environmentally or socially responsible (Educating tomorrow’s global business leaders, 1995).

I would argue with Berglind and Nakata (2005, p.447) that “CRM benefits both sides”. There is also the third one – a customer and society which completes “win:win:win scenario”.

By taking part in a CRM campaign, the consumer can consciously choose a product or service from a socially responsible company. He is not only satisfying his needs but more importantly, contributing to the cause or charity. By helping the society the consumer lives in, he can be direct or indirect beneficiary of its own donation and at the same time he is given the feeling of satisfaction for doing some good (Farache *et al.*, 2008, p. 214). Moreover, CRM is a simple tool to support a worthy cause in regular and convenient ways.

### 1.9. CONCERNS ABOUT CRM

Among many me-too products not too much is done to differentiate one from another. Established brand is not yet enough to increase market share and sales of certain products. Those are tasks for marketers who know that consumers in Poland like sales promotion e.g. a glass with purchased drink, a mug with purchased tea or a mini shaving cream with a shampoo. It seems that they don’t appreciate the power of Cause Related Marketing which can be a great differentiator between many me-too products. Answer to the question: *Why should I buy the product which supports a CRM campaign?* Should be: *Empowerment – because I can make a difference. My choice has an impact on something other* (Steckel *et al.* 1999, p.49).

However there are a number of important risks and concerns which have to be taken into account when designing a CRM campaign. They may influence perception, use and the efficacy of these campaigns. There will be shown below and grouped into risks for corporation and non-profit partner. All the pitfalls can be avoided by carefully planned and

performed Cause Related Marketing campaign and by conducting research about the cause and partner fit. Nevertheless, the number of potential risks is low in comparison to the benefits from the alliance.

#### *1.9.1. FOR THE COMPANY*

The first issue is a lack of good fit which Berglind and Nakata (2005, p.449) describe as “a marriage of strange bedfellows”. The fear is that the union of two interests damages the cause. According to Kotler and Andreasen (1995, p.309), “if the relationship is not the proper one and is not handled in an ethical manner” it may cause a negative publicity. They also claim that “consumers may be very cynical of actions that seem to be transparent attempts to win tolerance of unhealthy business practices” (Ibid.). It is closely related to the issue of transparency and honesty. Company and organization are not always open to the public about all elements of the campaign. The specifics of the agreement are not always detailed. Olsen, Pracejus and Brown conducted a study (2003, pp.170-180) on consumer confusion about donation amounts in CRM. The findings indicate that some campaigns rely on consumer misunderstanding about the donations.

Another ethical issue is financial equity. Many of the famous CRM campaigns have raised questions mainly due to high spending on advertising. American Express can serve as a great example. The company spent \$6 million on advertising Statue for Liberty’s restoration campaign while generating only \$1.7 million for the cause (Berglind and Nakata, 2005, p.450).

Lack of communication or excessive communication can also damage the alliance. It is the case where a company does not communicate the alliance or uses the cause for its own purposes only or excessively communicates the alliance while products are not visible in shops.

#### *1.9.2. FOR THE ORGANISATION*

There are number of pitfalls for the non profit organizations. The biggest concern is related to non profit revenues and prestige. Kotler and Andreasen (1995, p.311) mention the decline in donations “if the donors assume that, since they are giving to a charity through a cause-related marketing program, they need not to give directly to the charity”. CRM campaign may generate less revenue for the organization than direct donations. Moreover, some companies require exclusive arrangements with non profits or put pressure on them not to engage in

other commercial activities. However, the charities are concerned whether CRM is not taking some of the resources away from the foundations. It is the task of their marketers to attract additional funds.

Limański and Drabik (2007, pp.145-146) list the following risks: a danger of losing credibility or integrity because of engagement in a commercial activity, worsening the image of the non profit by creating a partnership with a commercial body which is ill reputed. Dependence on one commercial partner can result in limiting the autonomy of an organization and departure from its mission.

### *1.9.3. FOR THE CONSUMER*

Smith and Higgins (cited in Berglind and Nakata, 2005, p.452) criticize CRM for “distancing the needy ‘other’, who, having never been met, touched, or spoken to directly by givers is, in effect, a faceless, nameless abstraction”. Consumer participation in the act of giving has a form of virtual donations as he never meets the donee.

While CRM can give a consumer a chance to help less fortunate, it may also “distort the pattern of giving, disadvantaging less attractive but nonetheless worthy causes” (Berglind and Nakata, 2005, p.451). Due to CRM ubiquity it can, in the long term, have effects in increased resistance to giving. It can be defined as compassion fatigue – a situation in which consumers become overwhelmed by requests for their donations to a cause.

## **1.10. STEPS OF DEVELOPING A CRM INITIATIVE**

Each CRM practitioner has his own guidelines on how to make the cause related initiatives more likely to succeed. However, there are key aspects common to all which have to be considered in developing a CRM campaign. Choosing the right partner, setting a common goal, publicity and structuring the deal are the crucial ones (Intel, 2000). Marconi (2002, 50-79) completes this list with risks’ assessment and defining value of the opportunity, considering issue of exclusivity and support of volunteers. Kotler and Andreasen (1995, pp. 312-315) add to those steps: gaining board members’ advice, careful preparation of a proposal before the actual contract and results evaluation.

Regardless of the above, effective CRM is based on “integrity, honesty, transparency, sincerity, mutual respect, partnership and mutual benefit” (Adkins, 1999, p.226). Those key principles apply to the business and the cause or charity.

The process of development of a CRM campaign is presented below.

**Figure 5** Steps of developing CRM campaign



Source: Own elaboration based on Adkins (1999) and Steckel et al. (1999).

#### 1.10.1. THREE KEY PRELIMINARY STAGES

Pringle and Thompson (2001, pp.143-153) underline the importance of three preliminary stages in developing a CRM campaign: *commitment*, *due diligence* and *contract negotiations*. The first step in the process is company *commitment* to the idea of Cause Related Marketing. The most powerful commitment is when it comes from the top of the organisation – from its leaders. Commitment entails understanding potential benefits as well as the length of relationship and resources which have to be allocated. The charity has also valuable assets which have to be protected but also a cause which have to be promoted. Therefore both, the organisation and the charity should carefully select CRM partners. Building a CRM relationship requires enormous investment from both parties. To maximise return on investment it is better to set a long-term relationship, ideally 3-5 years.

Identifying the right charity or cause is an essence of *due diligence* process. It is important that a company (brand) and a charity (cause) share common ground so the long term and mutually beneficial relationship is possible. Network of brand's consumers and charity's supporters has to be taken into consideration and entailed into shared goals. Great research has to be made to find the most suitable charity or cause. Process of finding a CRM partner has to be transparent and sincere. Sensitive issues to either party have to be properly

addressed to start *contract negotiations*. It is necessary to write down commitments and obligations of each party, to define the financial commitment and agree of time dimension and period of notice.

#### *1.10.2. SETTING THE GOAL*

The company should set the goal before it starts engaging with non profits partners in order to know what it can expect from the partnership and who it should search for. At this stage, the company should assess all the risks and define the value of the opportunity (Marconi, 2002, p.54).

The commercial partner's objectives entail "increasing sales, attracting new customers, generating good PR, boosting staff loyalty and company involvement, increased motivation of employees etc. (Intel, 2000, p.53). However, aside the marketing goals, the company's strategic alliance program may be shaped by philanthropic, human resource, community affairs and business development goals (Steckel *et al.*, 1999, 151-163).

This stage has to be repeated after matching with a right partner to consider the common goals.

#### *1.10.3. FINDING THE RIGHT PARTNER*

This step corresponds with Pringle and Thomson's *due diligence* stage. Finding a charity should not cause any problems as there are more than 180,000 charities in the UK (Pringle and Thompson, 2001) and around 67,000 charities in Poland (Adamczyk, 2009, p.162). The problem is to find the right one. Citing Marconi (2002, p.35), "It is essential that a company or organization have a clear picture of itself, its strengths (or perceived strengths), and its weaknesses before choosing a cause marketing partner and undertaking a serious program."

If the charity or cause's appeal matches that of the company's consumer group then this relationship is more likely to be effective (Intel, 2000, p.51). The link between the brand and the charity or cause has to be clear to the consumer in order to form a credible and successful deal e.g. Danone – dairy products company and malnutrition cause. To form a partnership between two organizations, their organizational cultures cannot be underestimated. It would help them to understand each other's objectives in the CRM initiative. Steckel *et al.* (1999, pp.169-176) suggest measuring possible partners against the following criteria:

- Matching corporate image

- Being credible in its field
- Being financially and operationally sound
- Presence in the geographic area the company wants to reach
- Issue of exclusivity

If the company decides to go direct it should pick a cause. This process should be preceded by extensive market research to find out which social issues motivate customers, potential customers and employees. Berglind and Nakata (2005, p.452) summarize it “perhaps the guiding rule is if you have to explain the connection, the fit between cause and company is likely poor.” Only the right choice will attract the right audience and motivate it successfully.

#### *1.10.4. PROGRAMME MANAGEMENT*

After deciding on the cause and programme partner, the decision should be made about the nature of the activity, roles and responsibilities of all partners, time frame and campaign duration, the budget, decision making process and communication procedures. Corporations have also a set of non monetary assets that can be valuable to a non profit partner. It is worth analysing how to incorporate employee volunteers, in-kind donations, facility use, clout, marketing and promotion into a campaign (Steckel *et al.*, 1999, p.198-203).

#### *1.10.5. PUBLICITY*

“If you did and you didn’t tell anybody... you didn’t do it.” (Ogilvy, 2007). Publicity as an essential element of any CRM activities is a key to increase chances of success of the campaign or initiative. It can induce CRM partners to invite media to their partnership.

The program should be announced not only externally but it is very important to inform employees about CRM programme. It is crucial to communicate throughout all stages of the process what means also the results of the campaign.

Citing Adkins (1999, p. 256) “communication can make the difference between a successful, a mediocre or a disastrous programme.” The message and communication channel should match the stakeholders and it should take into consideration the non profit partner. Nevertheless, communication is the joint responsibility of both partners. Moreover, “It is important that the communication is balanced, and must not mislead stakeholders and partners.” (Ibid., p.255)

*Christmas Card* project can serve as an example of this kind of arrangement. The Crisis charity (which supports the homeless) asks companies to resign from traditional way of

sending cards and donate money to the charity instead. As a result of Crisis arrangement with Financial Times, all companies which contributed to the charity were listed in a Christmas advertisement. These three-way partnership was very successful one as companies had their exposure in Financial Times as a supporters of Crisis, charity got money from companies and increased brand awareness through the advertisement and FT benefited from the good PR which was attached to the project (Mintel, 2000, p.53).

#### *1.10.6. MEASUREMENT AND EVALUATION*

Any marketing campaign has to be measured to define whether or not it was successful and set objectives were achieved. Monitoring and evaluation helps to make a decision whether or not to continue to invest time and money in a specific programme or partnership. Most campaigns focus on sales results while CRM campaigns are more complex.

Monitoring the programme may include a conversation between project managers about the process or setting objectives as key measurement indicators. The indicators have to be regularly interviewed and discussed during all stages of campaign: preliminary (through qualitative research to indicate underlying reasons for shifts in consumer behaviour – focus groups), ongoing (PR evaluations, stakeholders surveys, sales/volume data) and in post-programme phase (specific quantitative research to track attitudes and behaviour) (Adkins, 1999; Pringle and Thompson, 2001).

Steckel *et al.*'s (1999, pp.213-218) short evaluation form consists of two questions: *Did you make money? Did you make a difference?* Adkins (1999, p.270) extends it to the following performance indicators:

- Raised funds
- Effect on sales, volume
- Media coverage
- Effect on reputation, image and awareness
- Effect on usage and attitude
- Customer satisfaction
- Employee satisfaction
- Other stakeholders satisfaction
- Impact on society

Without measuring those aspects of partnership it might be difficult to make a decision about continuation of investment. To develop future potential of CRM, using measurement

techniques is crucial. CRM has great potential strengths in being able to make a significant impact on both business and cause objectives. But only when CRM is planned, implemented and communicated well, it can provide a *win:win:win* situation for charities and causes, business and the community (Ibid., p.276).

## 2. CASE STUDIES

In this chapter the best known cause related campaigns will be described. International, British and Polish examples will be presented to show the differences in mechanisms, key objectives, support and communication, evaluation and impact of the campaigns. Awareness of each of these campaigns will be evaluated in the survey.

International example introduces Avon's *Crusade Against Breast Cancer* – the campaign which was successfully spread worldwide and which raises funds in 50 countries.

### 2.1. INTERNATIONAL GOOD CASE PRACTICE

#### 2.1.1. AVON – AVON'S CRUSADE AGAINST BREAST CANCER



#### **Background:**

Avon is the world's leading direct seller of beauty and other related products. Avon markets its products to women in over 100 countries through over 5.5 million independent sales representatives – known as the Avon Ladies. Avon has been present on the market since its foundation in New York in 1886. Avon was one of the first companies, which offered American women an opportunity to work in business (Adkins, 1999, p.199).

In 1955, the company established the Avon Foundation Breast Cancer Crusade to improve the lives of women and their families by “raising funds and awareness for advancing access to care and finding a cure for breast cancer, with a focus on the medically underserved<sup>26</sup>”.

In the 1980's Avon faced intense competition. Moreover it was perceived as an old fashioned brand. To better understand women's needs, interests and motivations, Avon conducted a comprehensive research study among its customers and representatives in the United Kingdom in 1992. Breast cancer was recognized as a leading health concern according to women surveyed. Solely in the UK, 44,000 women are diagnosed with breast cancer each year and more than 1,000 women die from the disease every month.

In 1992 the Foundation adopted the Crusade as the campaign to be used across the Avon world. Avon UK created the *Avon Crusade Against Breast Cancer* in 1992 and one-year later Avon in the United States launched the Avon Breast Cancer Awareness Crusade. Today, the Crusade covers over 50 Avon countries across the world. Polish campaign *Wielka Kampania*

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<sup>26</sup> <http://www.avoncompany.com/women/avonfoundation/overview.html>

*Życia – Avon Kontra Rak Piersi* (eng. Great Life Campaign – Avon Against Breast Cancer) was launched in 1998.

**Key objectives of the campaign:**

- Raise awareness to the breast cancer cause
- Help Avon sales representatives raise money for breast cancer organisations through the sale of special fundraising products
- Create an image of Avon as a ‘fashion’ company which cares about its customers
- Attract new customers
- Raise £1 million for Breakthrough Breast Cancer in the first year of the campaign (in the UK)

**Mechanisms:**

A key mechanism for fundraising is the sale of pink ribbon products. In the last five years alone, three million Avon pins have been sold in the UK (each at the price of £1). The symbol was originally chosen by the International Breast Cancer community to “represent awareness of and hope for women affected by the disease” (Pringle and Thomson, 1999, p.34). Apart from the pink ribbon, crusade fundraising products vary among countries: Polish women can buy a cup with a teaspoon, a bag or a key ring with a pink ribbon logo while the British are offered e.g. bracelet and hand cream. Avon US has developed the biggest choice for its customers: from shoes (pink clogs) through jewellery (necklace and bracelet) to beauty products (bubbly bath). Proceeds from the sales of those products are donated to supported charities and organisations.

Avon UK has worked in partnership with charities including Breakthrough Breast Cancer, Macmillan Cancer Support and Breast Cancer Care<sup>27</sup>. Avon in Poland co-operates mainly with the Amazonki association. In the USA money is raised for the Avon Foundation Breast Cancer Crusade and is then redistributed among a large number of charities and organisations.

**Support and communication:**

The sale of the pink ribbon products has been supported by many fundraising events including the Avon Walk for Breast Cancer (AWBC), Foundation gala and Fashion Targets Breast

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<sup>27</sup> [http://www.avon.uk.com/PRSuite/causes\\_crusade\\_aboutus.page](http://www.avon.uk.com/PRSuite/causes_crusade_aboutus.page)

Cancer. All of these events have received overwhelming media coverage (advertisements in publications, posters etc.).

Avon sponsored Freefone telephone hotline for all those who wanted to obtain information about breast cancer or Fashion Targets Breast Cancer campaign.

### **Monitoring and evaluation:**

Avon quantified the impact of the sponsorship for many of the programmes through consumer research studies. Avon UK conducted the first market research study in six months after the launch of the campaign, which showed that one in ten UK consumers cited the amount rose for the cause so far (Adkins, 1999, p.200). The survey carried out to measure the impact of Fashion Targets Breast Cancer partnership showed a significant increase in consumer awareness of Avon as a major supporter of the breast cancer cause.

### **Impact:**

Since 1992, the Avon Breast Cancer Crusade has raised and awarded more than \$585 million<sup>28</sup> in 50 countries worldwide for awareness and education, access to treatment, screening and diagnosis, support services and scientific research.

The Crusade has raised £14 million<sup>29</sup> for UK breast cancer charities. The campaign „Wielka Kampania Życia - Avon Kontra Rak Piersi” since its launch in 1998 raised the awareness of breast cancer among women and helped to donate 10,894,004 PLN<sup>30</sup> and to educate women about the importance of early detection of breast cancer.

However, the greatest impact of the campaign has been a decline in mortality rates from breast cancer across all ages combined and in every age group since at least the mid 1990s and the success of research on chemotherapy drugs extremely effective at killing hereditary breast cancer cells.

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<sup>28</sup> <http://www.avoncompany.com/women/avonfoundation/overview.html>

<sup>29</sup> [http://www.avon.uk.com/PRSuite/causes\\_crusade\\_aboutus.page](http://www.avon.uk.com/PRSuite/causes_crusade_aboutus.page)

<sup>30</sup> <http://www.wielkakampaniazycia.pl/index.php?go=page&page=wielkakampaniazycia>

## 2.2. BRITISH GOOD CASE PRACTICES

### 2.2.1. TESCO – COMPUTERS FOR SCHOOLS



#### **Background:**

Tesco is the UK's largest grocer and the world's third largest grocery retailer with operations in 12 international markets, employing over 440,000 people.

Tesco introduced their *Computer for Schools* programme in 1992. Up until that point, Tesco like many other supermarkets, was running a large number of promotional schemes giving direct benefits to individual customers. To support Tesco's mission as number one in the community, Tesco created an alternative promotion scheme, where not only the individual customer benefited but also the community as a whole. At the same time, a very successful supermarket scheme that provides schools with equipment in the USA has also been running. Following extensive market research, computers were identified as a key requirement for schools in the UK and investment in education was an important issue for consumers. Tesco developed a loyalty programme, which created an opportunity for customers to contribute to their local community at no extra cost to themselves and to help to ensure a certain level of IT literacy for all school leavers.

#### **Key objectives of the campaign<sup>31</sup>:**

- To reward customer loyalty
- To give added benefit to the community in which stores are located
- To make a real impact on IT literacy in schools
- To attract new shoppers into stores – increase in-store volume
- To improve Tesco's position as a caring company, reinforcing its 'Every Little Helps' philosophy

#### **Mechanisms:**

The programme is based on a voucher redemption scheme, which takes place over a period of ten weeks in spring. Customers are given one voucher for every £10 spent in the store, on petrol or on buying promotional packs of Ariel, Coca-Cola, Febreze, Nestle Ice Cream,

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<sup>31</sup> based on Mintel (2000, pp. 40-41)

Pringles, Shape, Sunny Delight and Utterly Butterly (Adkins, 1999, p.140). These companies joined as sponsors in 1998. In recent years, vouchers can be received in a more environmentally friendly way: by recycling empty inkjet cartridges, for example, or mobile phones.

The mechanism of the programme is straightforward. Vouchers were donated to schools, which could then be exchanged for computers and ICT equipment. Xemplar – a brand leader in educational computing hardware in the UK developed an extensive catalogue of equipment to suit children of all ages and schools with varying budgets (986 products are available to schools in 2008). During the summer holidays orders from schools are processed and equipment is presented in September.

### **Support and communication:**

Tesco's *Computers for Schools* was created as a national programme but local store staff delivers it. Its size requires constant support and communication to customers, stores and schools. Starting with communication – the programme is widely communicated via PR, television, advertising, direct mail and POS material to stores, customers, employees, schools, and local businesses to Tesco stores.

Support for the programme is very complex, starting with the provision of free IT training for teachers, through the free audit of computer systems made by Xemplar Education specialists for schools as well as the creation of a helpline to assist schools with any queries.

### **Monitoring and evaluation:**

Tesco measures and evaluates its programme through a variety of sources including TESCO PLC loyalty card 'Clubcard' and via AGB customer research. The following data is gathered and evaluated: voucher redemption level, equipment orders, turnover, customer expenditure, and frequency of visits. Information is also collected through image-tracking surveys, teachers who take part in IT training sessions and measurement of PR generated.

### **Impact:**

Since 1992, during the 16 years of running the campaign, schools received computer equipment worth over £118 million<sup>32</sup>. 61,500<sup>33</sup> computers and 985,592<sup>34</sup> additional items of

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<sup>32</sup> <http://www.computersforschools.co.uk/news.html?id=11>

related equipment have been delivered to schools. Nearly 2,500 state-of-the-art computers and over 115,000 additional items of computer related equipment was provided in 2007 only.

‘Computers for schools’ effectiveness resulted in:

- High levels of consumer awareness of the brand
- High level of voucher redemption
- Customer loyalty
- Increased sales
- Enhanced corporate profile in the community (‘as an innovative retailer’)
- Extended press coverage

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<sup>33</sup> Ibid.

<sup>34</sup> Ibid.

### 2.2.2. PERSIL – GO RED FOR COMIC RELIEF

#### **Background:**

Persil is a leading consumer brand in the detergent market. To reinforce its position as a leader and to engage its stakeholders, the Cause Related Marketing Campaign was developed in 1999. Comic Relief – a trusted, well-known charity was chosen as a partner. The fit between Comic Relief and Persil was strengthened by shared values and brand attributes.

Comic Relief's vision is just a world free of poverty. Comedians who wanted to raise money set up the charity and change lives by using a comedy. It is visible in Comic Relief's mission "to drive positive change through the power of entertainment"<sup>35</sup>. The most famous fundraising event organised by Comic Relief is Red Nose campaign that takes place every two years.

Persil chose Colour Care to support the partnership – a detergent with specially formulated colour protectors. It seemed for both partners, that there is a natural link with 'red' so the campaign was named: *Go Red with Comic Relief, Stay Red with Persil Colour Care*.

#### **Key objectives of the campaign<sup>36</sup>:**

- Build total brand image of Persil
- Increase awareness of the Persil Colour Care variant
- Communicate benefits of Colour Care in an innovative and interesting way
- Raise at least £250,000 for Comic Relief
- Increase sales of Persil standard powders

#### **Mechanisms:**

Persil developed new packs to incorporate Comic Relief Red Nose branding and to distinguish its new packaging on shelves. Promotional packs were available one month up until the celebration of Comic Relief day on 12 March 1999. The mechanism was in the form of on the pack donation scheme. For every pack of special edition 'Red Nose' powder sold, Persil made a donation to Comic Relief, depending on the size of the pack (5p – 1.35kg pack; 10p – 2.7kg pack; 25p – 4.5kg pack; 40p – 6.75kg pack).

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<sup>35</sup> [http://www.comicrelief.com/who\\_we\\_are/what\\_is\\_comic\\_relief](http://www.comicrelief.com/who_we_are/what_is_comic_relief)

<sup>36</sup> based on Adkins, (1999, p.174)

### **Support and communication:**

The campaign was supported in many ways: above the line, on pack, through internal communication, public relations and via retailer specific activity.

TV advertisement communicated the partnership between Persil and Comic Relief and highlighted the donation made from special packs. As Persil advertises on TV on a regular basis it was an important aspect of the communication process with stakeholders. Advertisements placed in magazines, encouraged people to *Go Red for Comic Relief* and *Stay Red with Persil Colour Care* (Intel, 2000, p.39). Two radio campaigns were run on independent radio stations to support and promote the fundraising initiative.

Information about the partnership was also placed on the back of the special edition packs along with information on how to obtain fundraising packs and ideas on how to organize 'Go Red' events.

Persil organized staff fundraising activities on Red Nose Day around its three sites. Activities such as red menus in staff restaurants, red nail makeovers, red quizzes, reception areas painted in red etc. were promoted on posters and in-house newspaper along with competitions to win prizes. Persil organized a 'washing machine Red Nose' offer exclusively to Sainsbury's.

Persil's link with Comic Relief was supported by significant public relations campaign:

- 'Paint the Town Red' radio campaign with competition to win a trip to the Red Sea
- 'Go Red Ed' campaign directed to editors, which invited them to wear red. A donation was made for each picture featured in the paper
- Live radio interviews with celebrities on 14 stations
- Offers in women's magazines and regional press
- 'Red Room' briefing for journalists
- Coverage on TV on Red Nose Day stating the amount raised by Persil

### **Monitoring and evaluation:**

Persil assessed its success in terms of set objectives as well as comparisons with other marketing mechanisms. The programme was evaluated against tracking of Persil and Colour Care sales, shares and penetration, Comic Relief feedback, PR coverage evaluation, Persil brand awareness tracking changes, coupon redemption level, response to phone line and the delivery of activity on time and within budget.

**Impact:**

£1.5 million spent on the programme (donation and fees to Comic Relief, costs of communication, promotional materials and phone line) resulted in £260,000 raised for Comic Relief and 25% increase in sales for Persil (Adkins, 1999, p.176). Both of them benefited from excellent PR coverage, including national television, press and radio. Moreover, Persil enhanced brand profile and improved relations with its key retailer - Sainsbury's. Programme created a 'feel good factor' among employees.

### 2.2.3. MARKS & SPENCER BREAKTHROUGH BREAST CANCER



#### **Background:**

Marks & Spencer (M&S) is the UK's biggest retailer of bras. Their share in the lingerie market exceeds 24%<sup>37</sup> and it is the largest proportion in the UK. In addition to this, the number of female customers in the breast cancer "at risk" group is larger than among other retailers. Moreover, 76% of M&S employees are females. There is a natural link to work with *Breakthrough Breast Cancer*, the UK's leading breast cancer charity that supports breast cancer research and education. The partnership was developed in 2001 as a donation and also the sale of pink ribbons. The partnership received many awards: Business in the Community Cause Related Business award in 2006, High Commendation for Corporate Partnerships at the 2006 Third Sector Excellence Awards, 2006 Fashion Targets Breast Cancer Retailer of the Year and a second Big Tick for achievements in 2007.

#### **Key objectives of the campaign:**

- To raising awareness of breast cancer amongst literally millions of customers
- To achieve 15 million Marks & Spencer customers
- Increase sales
- Engage M&S employees in fundraising

#### **Mechanisms:**

M&S raises money through at least 10% donations on sales of 60 specially designed products (all suitably pink, and take the shape of chocolate lollies, cube cakes and prawn cocktail sandwiches) during Breast Cancer Awareness month in October and as part of the Fashion Targets Breast Cancer campaign in April-May. In addition to this, M&S employees also raise money around the Pink Weekend in October by organising various fundraising activities in store. In 2006, M&S launched a range of lingerie designed for women who have undergone breast surgery. The range carries a 10% donation to Breakthrough.

#### **Support and communication:**

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<sup>37</sup> [http://www.bitc.org.uk/resources/case\\_studies/afe\\_872\\_crb\\_06\\_ms.html](http://www.bitc.org.uk/resources/case_studies/afe_872_crb_06_ms.html)

Every October, M&S changes the colour of its logo into pink in support of the Breast Cancer Awareness Month. Also the M&S carrier bags bore a charity logo.

M&S promotes the Pink You Party in October and encourages fundraising for Breakthrough, offering a fantastic prize for the top fundraiser. The campaign encourages people to have any type of a party, turn it pink and have fun, whilst raising funds for its vital research, education and campaigning work. M&S supports the Fashion Targets Breast Cancer<sup>38</sup> initiative established by Ralph Lauren and launched in the UK in 1996 by *Breakthrough Breast Cancer*. Marks & Spencer have launched an exclusive campaign inspired range, 30% of the proceeds from which will be donated to Breakthrough Breast Cancer.

M&S publishes leaflets for women on how to check themselves for the disease.

### **Monitoring and evaluation:**

Marks and Spencer assessed its success by: monitoring sales, surveying its stakeholders, regular meetings with institutions and charities.

### **Impact:**

During eight years of running the campaign, M&S raised £9 million<sup>39</sup> for Breakthrough's vital research, campaigning and education work. Work on the project has encouraged strong team building, which had led to trust, and confidence within the groups. Morale is boosted and people report that they feel very motivated and good about their business. According to Breakthrough the campaign is the most recognised on the high street with over 40% of people recognising the campaign.

Till 2005<sup>40</sup>:

- 43% Marks & Spencer customers were aware of their involvement with Breast Cancer Awareness Month and more than half were aware of the wider partnership
- Employee fundraising saw £221,000 raised, with 3,300 hours of company time given to make this fundraising possible

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<sup>38</sup> <http://www.targetbreastcancer.org.uk/>

<sup>39</sup> [http://www.marksandspencer.com/gp/browse.html/ref=sc\\_iw\\_r\\_2\\_171091031\\_1/277-9211494-9060743?ie=UTF8&node=170532031&no=171091031&mnSBrand=core&me=A2B00OYVBKIQJM](http://www.marksandspencer.com/gp/browse.html/ref=sc_iw_r_2_171091031_1/277-9211494-9060743?ie=UTF8&node=170532031&no=171091031&mnSBrand=core&me=A2B00OYVBKIQJM)

<sup>40</sup> based on [http://www.bitc.org.uk/resources/case\\_studies/afe\\_872\\_crb\\_06\\_ms.html](http://www.bitc.org.uk/resources/case_studies/afe_872_crb_06_ms.html)

- The campaign raised £1.47 million in 2004/2005 (£1.6 million<sup>41</sup> in 2007/2008), which equated to 10% of Breakthrough's total income that year. Whilst sales of Cause Related Marketing products rose 38% on the year
- The funds raised supported Breakthrough's research and education programme, which has established the UK's first dedicated breast cancer research centre in partnership with the institute of Cancer Research.
- The 34 million carrier bags bearing the charity's logo meant that Breakthrough's message reached across the nation

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<sup>41</sup> Marks & Spencer: How we do business report 2008

## 2.3. POLISH GOOD CASE PRACTICES



### 2.3.1. DANONE – PODZIEL SIĘ POSILKIEM

#### **Background:**

Danone is a world leader in dairy products, bottled water and cereal cookies. The company started its business activities in Poland in 1995 and since then the brand is firmly linked with yoghurts and other dairy products.

*Podziel się Posiłkiem* campaign (eng. Share your meal) was initiated in Poland in 2003. The aim of the campaign was fighting malnutrition among children. It was recognised that malnutrition causes problems with concentration, interrupts proper mental and physical development and leads to serious health implications in an adult life. There was a natural link between Danone – the company that produces food and the cause – fighting malnutrition.

Moreover, according to the report prepared by European Commission, right up to 26%<sup>42</sup> of children in Poland live in poverty what means that they cannot afford balanced meals.

First edition of *Podziel się Posiłkiem* campaign was organised by Danone in cooperation with Polska Akcja Humanitarna (eng. Polish Humanitarian Organisation – PHO). It resulted in funding more than 364,000<sup>43</sup> meals for children in 76 schools in Poland.

In 2004 Caritas Polska and Bank Żywności joined the programme. Banki Żywności (non-governmental organisation which aim is to decrease malnutrition and fight food wasting) organised food collection in schools and shops. Danone introduced grant programme *Masz pomysł? Podziel się posiłkiem!* (eng. Do you have any idea? Share your meal!) which supported schools and organisations with 5,000 PLN grant for realisation of their ideas about fighting malnutrition. In 2005 Fundacja Polsat became a co-organizer of the programme.

During the realisation of the programme, it turned out that funding meals is not enough to solve the problem of undernourished children. Through the cooperation with Caritas, Polski Czerwony Krzyż (eng. Polish Red Cross) and PHO – organisations which deal with malnutrition on a daily basis, Danone changed its attitude and involved more entities. In 2006 Lubella (producer of pasta), Biedronka (supermarket) and Instytut Matki i Dziecka (scientific and medical institute) created Partnerstwo dla Zdrowia (eng. Partnership for health) and

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<sup>42</sup> Demographic trends, socio-economic impacts and policy implications in the European Union, available at [http://ec.europa.eu/employment\\_social/spsi/docs/social\\_situation/2007\\_mon\\_rep\\_demo.pdf](http://ec.europa.eu/employment_social/spsi/docs/social_situation/2007_mon_rep_demo.pdf)

<sup>43</sup> <http://www.podzielsieposilkiem.pl/?Pages&MenuId=51>

developed a new product - a cereal called *Mleczny Start* with a high nutritional value sold at very low price (Przegląd działań z zakresu społecznej odpowiedzialności Danone w Polsce, 2006).

**Key objectives of the campaign:**

- To fund a Million meals
- Fight malnutrition among children
- Improve the quality of nutrition
- Support and encourage leaders and organisations to take an active role in their communities and help undernourished children

**Mechanism:**

At the beginning, the mechanism of the campaign was based on simple purchase triggered donations. From August till October, customers can buy products marked by the campaign's logo. Part of the profits gained from selling those products will be donated to fund meals for children. Moreover, shops that take part in the campaign organise food collection during the last weekend in September.

**Support and communication:**

The first edition of the *Podziel się Posiłkiem* campaign was promoted in commercials and in promotional materials. Information was also placed on the product itself. To attract attention to the programme and first of all – the cause, Danone organised *Share your meal day* on 19 October 2003.

The governmental sector representatives, non-governmental organisations, business, media and individuals support the campaign. Each year, Danone, Fundacja Polsat and Banki Żywności organise a concert, which gathers many celebrities, and begin the campaign. Instead of buying tickets, people bring food, which is collected by volunteers from Banki Żywności.

Fifth edition of *Podziel się Posiłkiem* programme had great media coverage: in television – Polsat, radio – RMF FM and magazines: Tina, Newsweek.

### **Monitoring and evaluation:**

In October 2006 Danone made a research, which showed that on the territories with children affected by malnutrition, very little was being done to solve the problem. Based on this report and Danone partners' experience, the company opened consultancy posts where each person who wants to locally fight the problem of undernourished children, can gain help on how to create a programme and gain resources.

The results of the research were published in a report titled: *Niedożywienie dzieci w Polsce – na drodze do skutecznego rozwiązania problemu*<sup>44</sup> (eng. Malnutrition among children in Poland – on the road to find a successful solution). This research helped to better understand the problem and to allocate food collected in shops and supermarkets.

To check if the donation is used properly, Danone organised a project called *Share Your Meal Experience*. Company employees together with grants' auditors had the chance to visit beneficiary organisations and see how the money was spent.

### **Impact:**

Danone started the *Podziel się Posiłkiem* programme as a cause related marketing campaign. It developed so quickly that after 5 years it was transformed into a complex social programme. The company's initiative was even awarded by 'Manager Magazine' and Danone was chosen as the most responsible company in Poland in 2008 (The Good Company Ranking 2008<sup>45</sup>).

Five editions of *Podziel się Posiłkiem* programme resulted in collecting 1,120,000 kg of food and funding 7,409,024<sup>46</sup> meals to undernourished children. More than 1,700 organisations and institutions were involved in activities in favour of children. Danone itself donated 3,470,000 PLN to fight the problem of malnutrition among children.

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<sup>44</sup> Available at [http://www.podzielsieposilkiem.pl/user\\_files/Raport%20otwarcia\(1\).pdf](http://www.podzielsieposilkiem.pl/user_files/Raport%20otwarcia(1).pdf)

<sup>45</sup> <http://www.podzielsieposilkiem.pl/index.php?Pages&MenuId=11>

<sup>46</sup> <http://www.podzielsieposilkiem.pl/index.php?Pages&MenuId=51>

### 2.3.2. PROCTER&GAMBLE – PODARUJ DZIECIOM SŁOŃCE



#### **Background:**

Procter&Gamble (P&G) is one of the biggest FMCG (Fast Moving Consumer Goods) global companies. Company portfolio includes 300 brands grouped in several categories of home and personal care. Fundacja POLSAT is one of the biggest non-governmental organisations aimed at helping ill children and their parents.

*Podaruj dzieciom słońce* campaign (eng. Give children a sunshine) was prepared with cooperation of Fundacja POLSAT and P&G in 1999. It was the first activity co-organised by a charity and a company on such a large scale in Poland.

#### **Key objectives of the campaign:**

There is one main aim of the campaign – to save the lives of children. However during each edition money is raised for various purposes e.g. the formation of specialist burn care children's hospital, medical equipment for the early detection of tumours and curing spinal curvatures in children, saving the lives of premature babies and finally to support the blind and sand-blind children.

#### **Mechanism:**

Eight brands from P&G's portfolio took part in the *Podaruj dzieciom słońce* campaign. Products of Vizir, Ariel, Bold, Bonux, Pampers, Always, Blend-a-med and Pantene Pro-V were marked with yellow sun, the logo of the programme. Between September 1<sup>st</sup> and November 30<sup>th</sup>, two percent of the price of each product purchased was donated to save the lives of children.

In 2008 the following brands joined the programme: Gillette, Lenor, Fairy, Head & Shoulders, Naturella and Braun and the programme was extended until the end of December. The mechanism has been also adjusted so people can now raise money for hospitals and help children from their neighbourhoods.

#### **Support and communication:**

The *Podaruj dzieciom słońce* campaign is widely communicated via television, advertising and POS materials (leaflets and roll ups with the sunny logo). Many celebrities supported the programme by encouraging people to buy marked products. *Gwiazdy w Akcji* is a TV show

(transmitted by Polsat) where celebrities compete with themselves and raise funds for the campaign.

Each edition of the *Podaruj dzieciom słońce* campaign is supported and communicated by different media: e.g. Wprost magazine (3<sup>rd</sup> edition), Rodzice magazine (4<sup>th</sup> edition), Polsat TV station.

### **Monitoring and evaluation:**

Thanks to the constant monitoring and evaluation of each edition, improvements could be implemented in subsequent editions. Co-operation with Fundacja Polsat helps P&G define the most prompt issue, which should be addressed in the campaign. The foundation worked out a system of quick and efficient ways of proceeding requests. Information received from parents is verified and examined according to established standards. Money is donated to operations, therapies and rehabilitation.

### **Impact:**

Since 1999, 44.9 million PLN was raised by the “Podaruj dzieciom słońce” campaign<sup>47</sup>. Only in 2008 was 6.25 million PLN<sup>48</sup> assigned for the purchase of medical equipment in hospitals. During the last 10<sup>th</sup> edition the campaign reached 360 hospitals across Poland. Number of editions, money raised and brands involved (Vizir, Pampers, Blend-a-med, Gillette, Bonux, Ariel, Lenor, Fairy, Pantene Pro-V, Head & Shoulders, Naturella, Always and Braun) emphasize the success of the campaign.

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<sup>47</sup>[http://www.fundacjapolsat.pl/Podaruj\\_Dzieciom\\_Slonce,814/Podaruj\\_Dzieciom\\_Slonce\\_\\_Wydarzenia\\_\\_Szczegoly,864,Rekordowy\\_Wynik\\_Akcji\\_Podaruj\\_Dzieciom\\_Slonce\\_2008,856/index.html](http://www.fundacjapolsat.pl/Podaruj_Dzieciom_Slonce,814/Podaruj_Dzieciom_Slonce__Wydarzenia__Szczegoly,864,Rekordowy_Wynik_Akcji_Podaruj_Dzieciom_Slonce_2008,856/index.html)

<sup>48</sup> Ibid.

### 2.3.3. POLSKA AKCJA HUMANITARNA – PAJACYK



#### **Background:**

Polska Akcja Humanitarna (eng. Polish Humanitarian Organisation – PHO) is a non-governmental organisation founded in 1992. PHO’s mission is “is to make the world a better place through the alleviation of human suffering and the promotion of humanitarian values<sup>49</sup>”. According to research carried out by GfK Polonia<sup>50</sup>, PHO is perceived as the quickest and the most flexible Polish NGO, and at the same time the most modern and the most innovative among all humanitarian organization, which operates in Poland.

Malnutrition and hunger among children were defined as the most prompt issues in Poland. To address these issues, PHO designed the *Pajacyk* programme (eng. Wooden Puppet). The programme was launched in September 1998 in some schools in Northeast Poland and during the 12 years has been extended to areas throughout the whole country.

Every December, PHO organises *Świąteczny Stół Pajacyka* – a noteworthy campaign within the framework of the nutrition programme. Each restaurant, pub or cafe, which joins the programme, transfers 10% of its turnover, earned on the first Sunday.

#### **Key objectives of the campaign:**

- To provide one warm meal per day to deprived children in schools
- Increase awareness as to the consequences of malnutrition and hunger among children

#### **Mechanism:**

Further explanation should be given about the mechanism of *Pajacyk* website – the main fundraising tool. It has a form of click-to-donate programme – the first one in CEECs. By entering the [www.pajacyk.pl](http://www.pajacyk.pl) website and clicking on the wooden icon, 0.05PLN is donated by programme partners to fund a meal at the average price of 2.5 PLN (Wasilewski, P., 2007, p.188). Only one click per day per computer counts. The initiators of this website were inspired by the American Hunger Site<sup>51</sup>.

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<sup>49</sup> <http://www.pah.org.pl/>

<sup>50</sup> <http://www.gfk.pl/>

<sup>51</sup> <http://www.thehungersite.com/>

Among many organisations, which support programme in a form of pure philanthropy, there are some, which deserve further attention due to their cause related marketing character.

Each time customer rents a car, AKM car rental funds one meal. Ośrodek Szkoleniowy “RESCUE” funds a meal when a customer enrolls for a driving instruction course.

Bank Zachodni WBK<sup>52</sup> supports *Pajacyk* with affinity cards. In 2007 Bank Zachodni WBK issued 28,329 Visa Silver and 730 Visa Gold card. *Pajacyk* card accounts for 15% of total credit cards’ portfolio<sup>53</sup> (see chapter 2.5.6 about affinity cards).

This programme is also an important part of BP partnerclub. BP is one of the world’s largest energy companies. Everyone who joins BP partnerclub<sup>54</sup> is offered a loyalty card with a chance to participate in prize draws. It can also donate points to support “*Pajacyk*” programme. 100 points collected by BP customers equals 1 meal.

Grupa Pryzmat has been running the action called *Donate the Empty to the Wooden Puppet* since 2000. This action enables people to donate empty toner and ink cartridges and support the programme in this way. The company donates money – equivalent of empty cartridge to *Pajacyk* campaign.

### **Support and communication:**

The campaign had a great media coverage including press, television, radio and Internet. Saatchi & Saatchi prepared Discovery TV commercial advertising agency and they were broadcasted in TVP 1, TVP 2, TVP 3 and TV4. Cooperation with media house Zenithmedia resulted in advertisements in 13 dailies, biweekly and monthly magazines. 25 radio stations emitted advertisements. Mobile telephony providers also supported the programme: PTK Centertel, Polkomtel S.A. and Era GSM.

*Pajacyk* is supported by a long list of partners<sup>55</sup>: BP, Bank Zachodni WBK, Grupa Pryzmat, ADF Lidmar, OS3 multimedia, AD.NET, agencja kreatywna 4n, KUBA Partner, Fundacja Bre Banku, Active 24, Orange, ZenithOptimedia, DDP Warszawa, Portal Gazeta.pl, Insytut Monitorowania Mediów, Wypożyczalnia Samochodów AKM, IKEA, VIA, 4M Sp. z .o.o., AUCHAN, Chata Polska, Firma SymPhar, SAF Wierzytelności, Tadmar, e-kwiaty, InterVita Sp. z o.o., BEFADO, Arkamed Sp. z o.o., Arkanum Sp. z o.o., Biona Sp. z o.o., IBSS BIOMED S.A., Ośrodek Szkoleniowy “RESCUE”, PAPAYA Group, Firma Filipiak Polska,

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<sup>52</sup> <http://info.bzwbk.pl/13131>

<sup>53</sup> [http://www.odpowiedzialnybiznes.pl/karty-akcja-pajacyk---bank-zachodni-wbk--161\\_1626.htm](http://www.odpowiedzialnybiznes.pl/karty-akcja-pajacyk---bank-zachodni-wbk--161_1626.htm)

<sup>54</sup> <http://www.bp.com/sectiongenericarticle.do?categoryId=4003482&contentId=51013>

<sup>55</sup> <http://www.pajacyk.pl/partnerzy.php>

Link4 Towarzystwo Ubezpieczeń S.A., Serwis tupolecam.pl, MT&DC, Klinika Handsome Men, QQFS and SDI Media Group.

### **Monitoring and evaluation:**

PHO monitors issue of children malnutrition and publishes reports on a regular basis. In 2007 PHO carried out 26 financial audits in schools, which take part in the programme, linked with interviewing their employees. In co-operation with GfK Polonia, PHO conducted a research on undernourished children in primary and junior high schools.

PHO created a commission to assess schools, which apply for funds. The commission favours those institutions, which look after comprehensive education of pupils.

### **Impact:**

Thanks to the *Pajacyk* website and 158,264,294<sup>56</sup> clicks, 7,980,709.95 PLN<sup>57</sup> were raised and 3,192,263<sup>58</sup> of meals have been sponsored since 2001. Currently, 3,849 children are provided with meals in 151 schools in 13 voivodeships<sup>59</sup>. Users of affinity cards sponsored 170,000 meals (449,415.76 PLN) in 2007. Since 2000, BP transferred 2 million PLN to fund meals for children, obtained from loyalty cards. Grupa Pryzmat donated over 412,000 PLN<sup>60</sup> to children's nutrition and sponsored 136,000 meals.

Money raised in the particular years of programme continuation<sup>61</sup>:

- 2001 - 245,817.65 PLN
- 2002 - 307,626.00 PLN
- 2003 – 496,734,00 PLN
- 2004 – 721,139.50 PLN
- 2005 – 1,419,773.50 PLN – 4,128 children were provided with meals during academic year 2005/06
- 2006 – 895,117.30 PLN - 3,600 children were provided with meals in 2006/07
- 2007 – 1,286,367.25 PLN

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<sup>56</sup> <http://www.pajacyk.pl/ile.php> [Accessed on 20 March 2009]

<sup>57</sup> Ibid.

<sup>58</sup> Ibid.

<sup>59</sup> Ibid.

<sup>60</sup> <http://www.pryzmat.com/index.php?level=page&id=2&menu=4> [Accessed on 20 March 2009]

<sup>61</sup> <http://www.pajacyk.pl/ile.php>

### **3. CRM IN THE EYES OF STUDENTS**

For the purpose of this master thesis the exclusive consumer research among a representative sample of 204 Polish and Scottish students was commissioned. The objective of the survey was to establish the level of prompted awareness of and participation in selected cause related marketing campaigns in Poland and Scotland and to determine respondents' views on cause related marketing initiatives from a list covering negative and positive statements. The research took place between 21 November 2008 and 5 January 2009.

#### **3.1. RESEARCH METHODOLOGY**

Both qualitative and quantitative methods were used to obtain data. This research is based mainly on questionnaires, which were filled in by students in Poland and Scotland. Additionally to this primary technique, the face-to-face and screen-to-screen interviews (Collis and Hussey, 2003) were used to gather information from CRM practitioners from NGO, commercial and consultant perspective to draw a conclusion about CRM in Poland (see appendix 3 for questions).

##### *3.1.1. QUANTITATIVE AND QUALITATIVE DATA*

There are two main approaches to gathering data: quantitative and qualitative. The quantitative technique focuses on numeric data (numbers) whereas the qualitative technique focuses on non-numeric data (words) (Saunders *et al.*, 2007). Quantitative method can be used to collect data through questionnaire, which generates the numerical data. In contrast, the qualitative method is used to collect data through interview, which generates non-numerical data. In this research both quantitative and qualitative data will be combined. To collect numbers, the quantitative methods have been used. The qualitative data was collected from interviews.

##### *3.1.2. PRIMARY VS. SECONDARY*

Sources of information, depending on their proximity to the origin source, are divided into primary and secondary data. Both quantitative and qualitative data can be used as a primary and secondary data. Data, which hasn't been processed, is called 'raw data' in contrast to 'compiled data' that has been selected or summarised (Kervin cited in Saunders *et al.*, 2007). The latter is commonly used within businesses as a part of survey research strategy. The

secondary data can be collected through external sources such as: journals, magazines, TV, Internet, textbooks, research articles and literature reviews.

The primary data is collected specifically for the project undertaken to meet its objectives (Saunders *et al.*, 2007). It can be collected through surveys, interviews and focus groups, which show the direct relationship between the subject undertaking the research and its customers. In contrast, secondary data is collected and analysed to meet the objectives of several research projects. Primary data is much more expensive to collect though.

### 3.1.3. HYPOTHESES

Building on the findings of Mintel (2000), the aim of this study was to establish the level of association with (1), awareness of (2) and participation in (3) cause related marketing campaigns as well as the propensity of CRM links to prompt purchases, brand switching and paying a premium for a product supporting a good cause (4) and finally to establish the level of perception of corporate motives (5) and the link between incomes and willingness to involve in CRM (6). It is hypothesised that:

**H1:** Companies and brands such as Danone and Vizir have high level of association with giving to charities in Poland and Tesco, Marks & Spencer, Sainsbury's and Persil in Scotland.

**H2:** Students are aware of at least two established CRM campaigns naming *Podaruj dzieciom słońce* and *Podziel się posiłkiem* in Poland and Tesco's *Computers for schools* and The Sun newspaper and Walkers Crisps *Books for schools* in Scotland.

**H3:** The involvement in CRM campaigns is lower among Polish students than among Scottish ones.

**H4:** Female respondents are more willing than male respondents to purchase a product that supports a good cause, switch a brand and pay a premium.

**H5:** Polish students are more sceptical about companies' motives to involve in CRM campaigns.

**H6:** Incomes highly influence buying decisions. Respondents who earn more are more willing to pay a 5% premium for CRM product.

#### *3.1.4. INTERVIEW AND QUESTIONNAIRE DESIGN*

Collis and Hussey define an interview as “a method of collecting data in which a selected participant is asked questions to find out what s/he does, thinks or feels. Interviews can be face-to-face, screen-to-screen or voice-to-voice, conducted with individuals or a group of individuals” (Collis and Hussey, 2003, pp.167-168). According to Collis and Hussey, there are several problems associated with conducting interviews. The main one considers the resources – the process might be time consuming and expensive (Ibid.).

For the use of this work, the face-to-face and screen-to-screen interviews were chosen due to the distance (between the interviewee - Warsaw and the interviewer - Krakow) and financial resources (screen-to-screen interview as cheaper than telephone interview). Questions for the interviews were designed to gather answers about the current situation and the future of CRM campaigns in Poland.

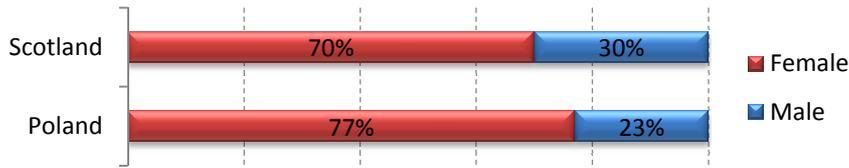
The questionnaire designed was based on Mintel report questions. There were two versions of the questionnaire – English for students from Scotland (see appendix 1) and a Polish one for students from Poland (see appendix 2). In principle, the two of them differed in terms of campaigns and companies. The Polish questionnaire was released 1-2 months later and two additional questions were added to check the level of knowledge about CRM and CRM motives from company point of view and perceived by students.

#### *3.1.5. THE SAMPLE*

The intended sample of the questionnaire was 100 students from Poland and 100 students from Scotland. Due to higher than expected respond rate, 104 Polish and 100 Scottish questionnaires were analysed. Students were recruited from various universities and various faculties to represent a wider spectrum of the sample.

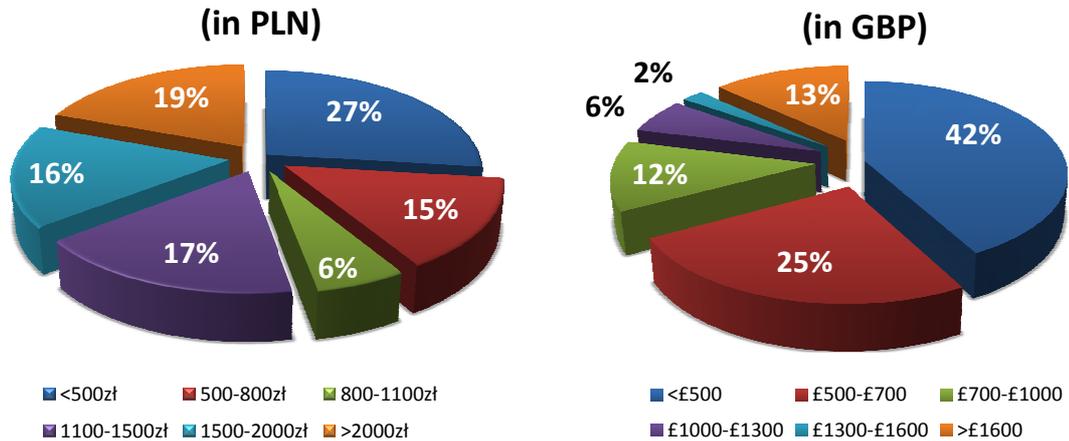
The majority of the respondents were female: 77% in Poland and 70% in Scotland. The figure below represents the distribution of respondents based on gender.

**Figure 6** Distribution of respondents based on the gender.



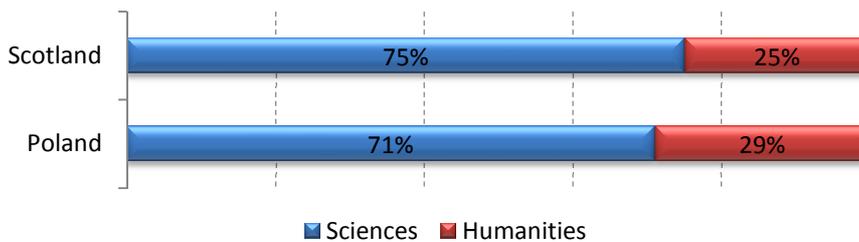
In terms of incomes, the majority of students have a disposable income of below 500 PLN and 500 GBP, respectively which may influence their buying behaviour when it comes to participation in CRM campaigns.

**Figure 7** Distribution of incomes among Polish and Scottish respondents (respectively in PLN and GBP)



Given that the study was conducted mainly at Universities of Economics, there is higher percentage of students of sciences than humanities. Every fourth respondent studies business management.

**Figure 8** Distribution of respondents based on area of studies



### 3.2. RESULTS AND ANALYSIS

Surveys have been analysed according to the following manner:

- Geographic criterion: Poland, Scotland
- Demographic criterion: women, men, all
- Area of studies (respondents were split into two groups: sciences and humanities)
- Classification based on incomes

The research was conducted to prove or refute the statement that cause related marketing in Poland is currently placed somewhere between the introduction and the growth stage while CRM in the United Kingdom is about to reach the mature stage. The future of CRM campaigns in Poland will be bright as they will increase in numbers and quality as more and more people see the benefits of supporting the causes through this kind of partnership. People would be more willing to switch brands and pay more for products, which support the good cause. Of course, scepticism is still held by many students who do not believe that companies (representatives of the commercial world) can or should do something positive in their environment.

#### *QUESTION*

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*Thinking about charities, which of these sorts of charities do you personally find the most appealing or worthwhile?*

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Multiple responses were permitted.

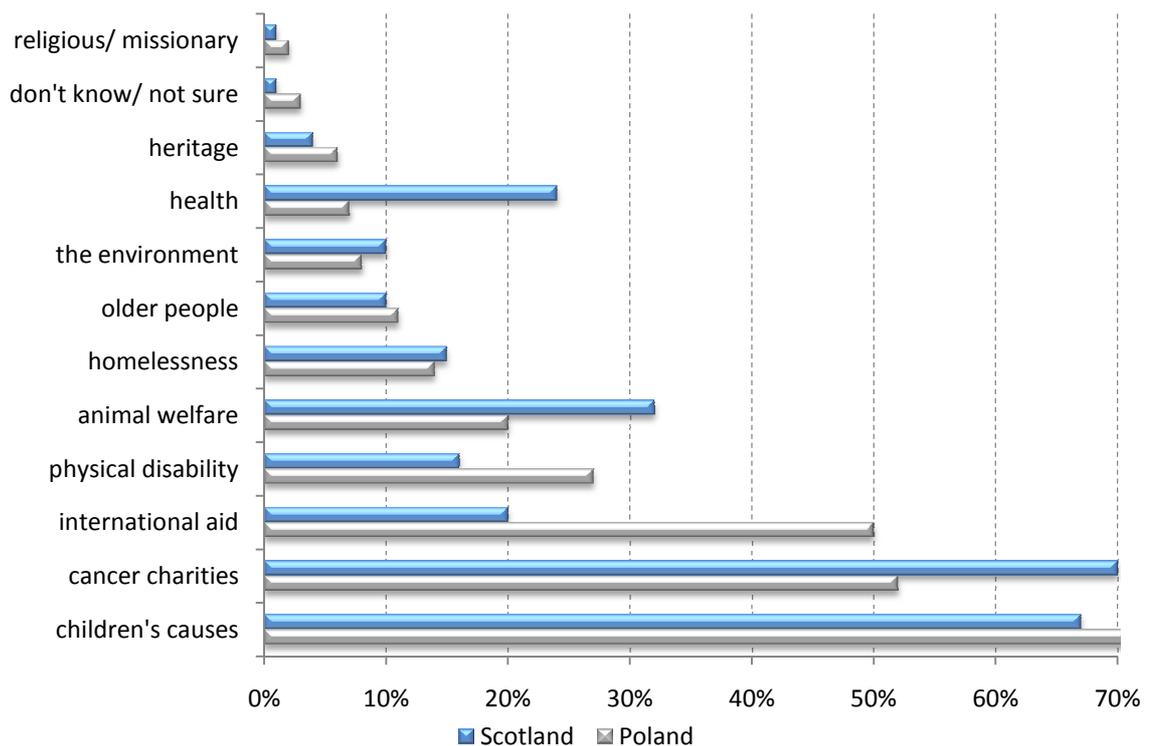
The first question went to establish which charities from the prompt list were the most personally appealing or worthwhile. The prompt list covered a wide range of charitable causes. This question was aimed at providing companies with useful data when seeking a cause to make a CRM partnership.

Children's causes are perceived as the most appealing ones among Polish students. It is true especially in the case of Polish CRM campaigns. Most of the partnerships were made with children causes (*Podziel się posiłkiem, Podaruj dzieciom słońce, Pajacyk* – see chapter 2).

This result was proven by findings from ARC Rynek i Opinia Research Institute's marketing research<sup>62</sup> made in June 2008 where eight out of ten respondents mentioned children causes.

The other type of charities held to be most appealing or worthwhile was those concerned with cancer, mentioned respectively by 52% of Polish and 70% of Scottish students.

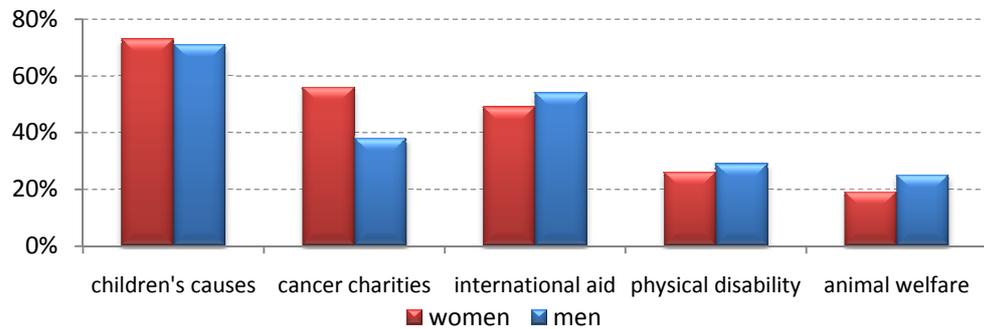
**Figure 9** Prompted charities, which are held to be most appealing or worthwhile, Poland and Scotland.



Findings from the study suggest that cause related initiatives themed around children; cancer and international aid causes could gain a wide public approval in Poland (adequately cancer, children and animal welfare causes in Scotland) and should be considered by companies when designing future CRM campaigns. Less than one out of ten respondents mention Heritage and religious organisations).

<sup>62</sup> <http://www.newsline.pl/news/badaniaraporty/art20,spoleczna-sila-sponsoringu.html>

**Figure 10** Key selected charities held to be most appealing or worthwhile, by demographic sub-group (Poland).



The most significant gender difference can be seen in propensity to cite children’s causes. Women are likely to show higher level of identification with CRM campaigns linked to children’s causes. When it comes to other causes, there are no significant variances in their appeals.

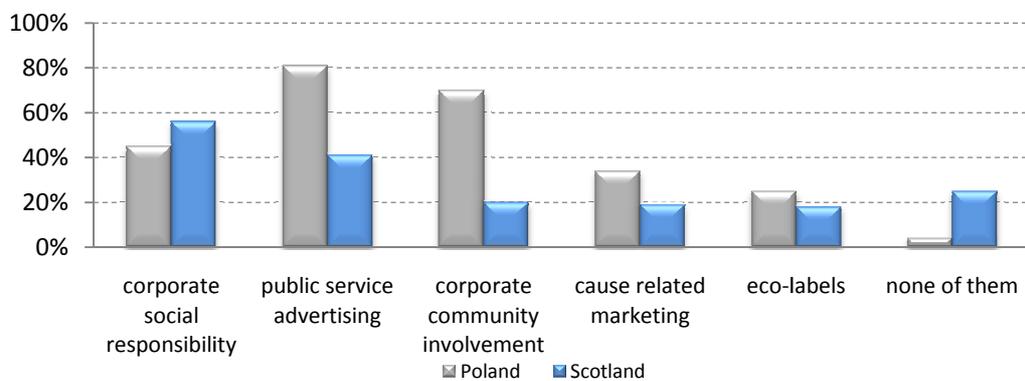
**QUESTION**

*Which of the following terms have you heard of?*

Multiple responses were permitted.

This question examined which of the terms from a prompt list the respondents were familiar with. The selection criteria for inclusion on the list was based broadly on commonly used terms linked with CSR: eco-labels, corporate community involvement, public service advertising, cause related marketing.

**Figure 11** Terms, which the respondents are familiar with.



Polish students displayed a better knowledge of public service advertising terms. Eight out of ten respondents claimed that they were familiar with it while only 41% of Scottish students heard this term. In terms of corporate social responsibility less than half of the respondents identified with CSR, which may be the result of a lack of sufficient CSR education in Poland.

What is somewhat contrary to expectations, given that history of cause related marketing in United Kingdom is much longer than in Poland, is the fact that Polish students were more familiar with CRM (34%) than the Scottish (19%). This may be explained by the fact that the number of CRM initiatives has recently increased in Poland.

### *QUESTION*

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*Which of these companies or brands do you associate with linking up with good causes and giving to charity?*

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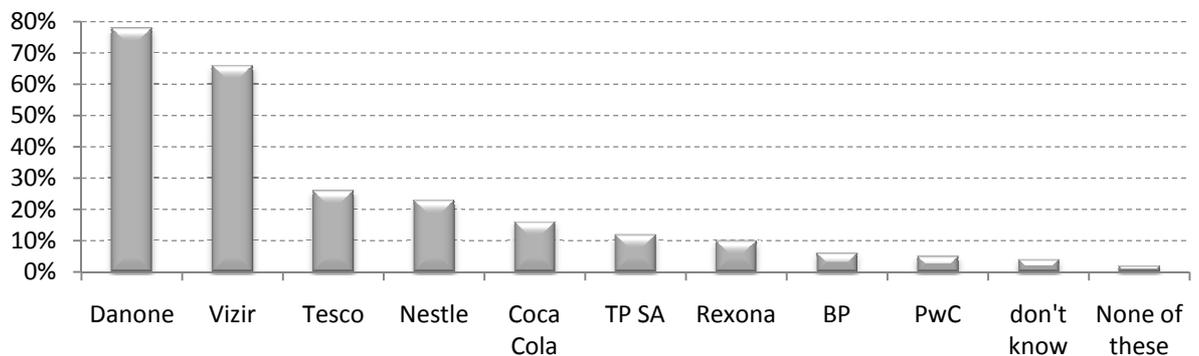
Multiple responses were permitted.

This question examined which companies, retailers or brands were associated with good causes or charitable giving. The prompt list was limited to major household names (Vizir, Persil, Andrex, Rexona), some of them had established association with charitable causes (BT, Boots, Danone, Procter&Gamble, Avon), some were highly involved in CRM campaigns in recent years (Tesco, Marks&Spencer, Sainsbury's – see chapter 2).

Other names (TP SA, Coca-Cola, Nestle) were included to ascertain their current perception on the CSR roadmap as they do not lead any cause related marketing campaign or do very little in terms of communicating their social responsibility activities.

The list could not be exhaustive and only representatives of companies, brands and retailers who were highly involved in CRM/CSR campaigns were chosen.

**Figure 12** Companies, retailers and brands associated with good causes and charitable giving, Poland

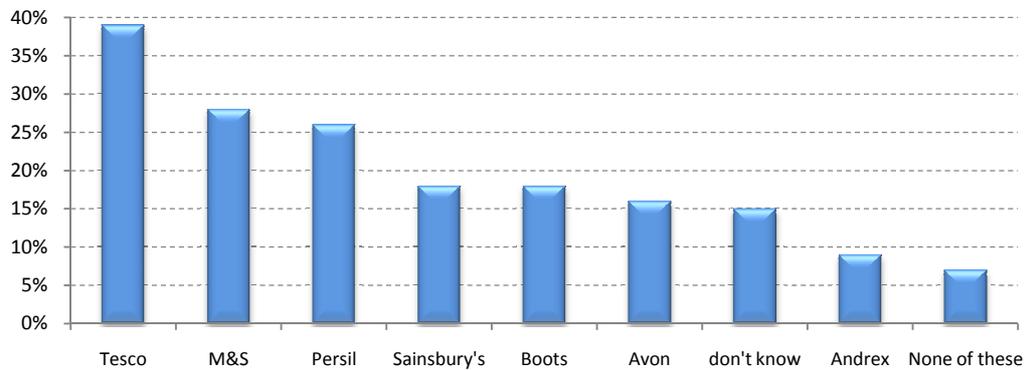


Data showed Danone and Vizir well out in the lead with the highest level of association with good causes and charitable giving. Danone emerged as the company by far the most likely to be associated positively for its *Podziel się posiłkiem* campaign. Vizir is a Procter & Gamble brand, which is part of *Podaruj dzieciom słońce* campaign. Danone and Vizir aside, none of the companies were associated with good causes by more than one third of respondents. Some 26% mentioned Tesco and surprisingly 23% cited Nestle. Noteworthy is the fact, that Nestle does not lead any CRM campaign now or led in the past and the company involvement in the CSR is not widely communicated to the public. Coca-Cola with 16% of votes took the fifth place. It is somewhat contrary to expectations given it had some issues with its involvement in *Pajacyk* campaign<sup>63</sup>. Low level of response to the remaining companies/ brands indicated that Polish students have problems with matching campaigns with sponsoring companies and causes.

Paweł Prochenko, the president of The Foundation for Social Communication, confirms that there are few CRM campaigns in Poland and only a few are widely recognized (*Podziel się Posiłkiem* and *Podaruj dzieciom słońce*). Aside those two, people tend not to link particular campaigns with a company or brand. There is lack of communication on a regular basis.

<sup>63</sup> <http://www.killer-cola.info/archives/80>

**Figure 13** Companies, retailers and brands associated with good causes and charitable giving, Scotland



In the first instance, the association of Tesco with good causes cited by almost four out of ten respondents is indebted for its *Computer for schools* programme. Findings also indicate that retailer Marks & Spencer and Persil brand have high positive association with good causes and they achieved the level of response around one fourth. Sainsbury's and Boots take the next two places. Retailers and their involvement in CRM campaigns were awarded by four leading places out of five. A significant proportion of the Scottish sample, 15%, selected the option "don't know/not sure" in comparison with 4% of Polish students.

Perhaps, the conclusion is that companies involved in good causes should do more in terms of PR to get the message across and change consumer perceptions. It should be the case for BT as less than 5% of the respondents link the company with giving to charity. Respondents correctly didn't cite Nestle and P&G, as they were not recently involved in good causes.

### *QUESTION*

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*Many companies or products nowadays are linking up with a charity or other good causes and offering part of their profits. Which of these link-ups have you heard of all or noticed in the shops?*

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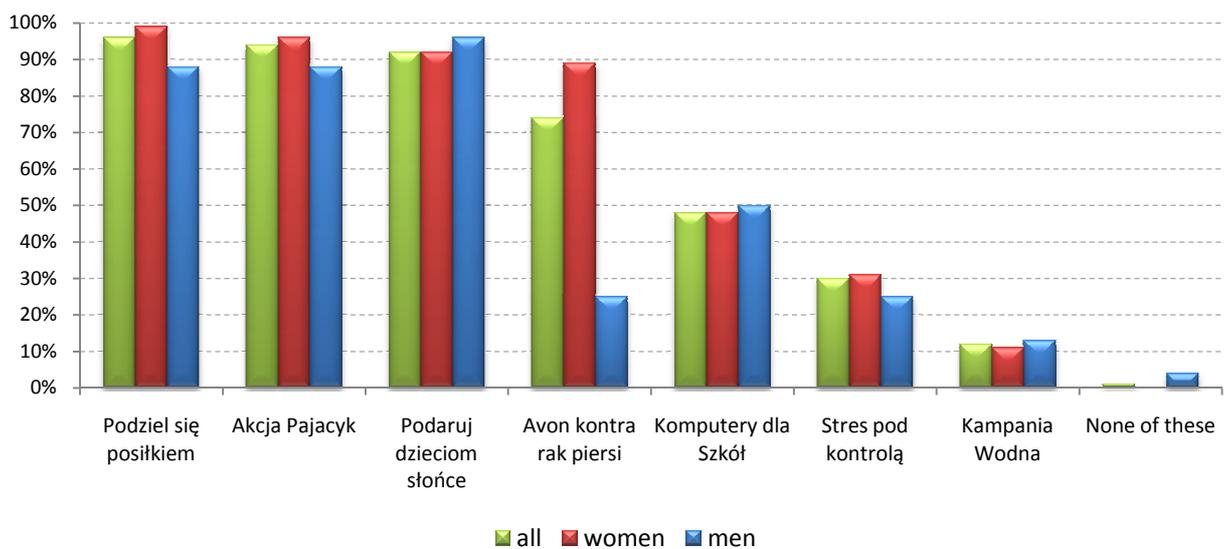
Multiple responses were permitted.

The survey explored level of awareness of actual campaigns. The objective of asking this question was to measure the extent to which students recall CRM initiatives in the longer

term. Students in Scotland had a choice between eight CRM campaigns with a long-established history and one new (Volvic 1l for 10l). As history of CRM in Poland is much shorter the prompt list consisted of only seven campaigns (five periodic initiatives, one new – Kampania Wodna and Rexona’s one-off action).

Three CRM initiatives took the lead in this classification: *Podziel się posiłkiem*, *Akcja Pajacyk* and *Podaruj dzieciom słońce*. The majority of Polish students are aware of those long running campaigns – between 92% and 96% of respondents. Women are likely to show higher levels of identification with breast cancer campaign. Almost nine out of ten women cited *Avon kontra rak piersi* in comparison with only one fourth of men. *Kampania Wodna* as a new initiative is recognised among every tenth Polish student.

**Figure 14** Level of awareness of specific CRM campaigns, Poland



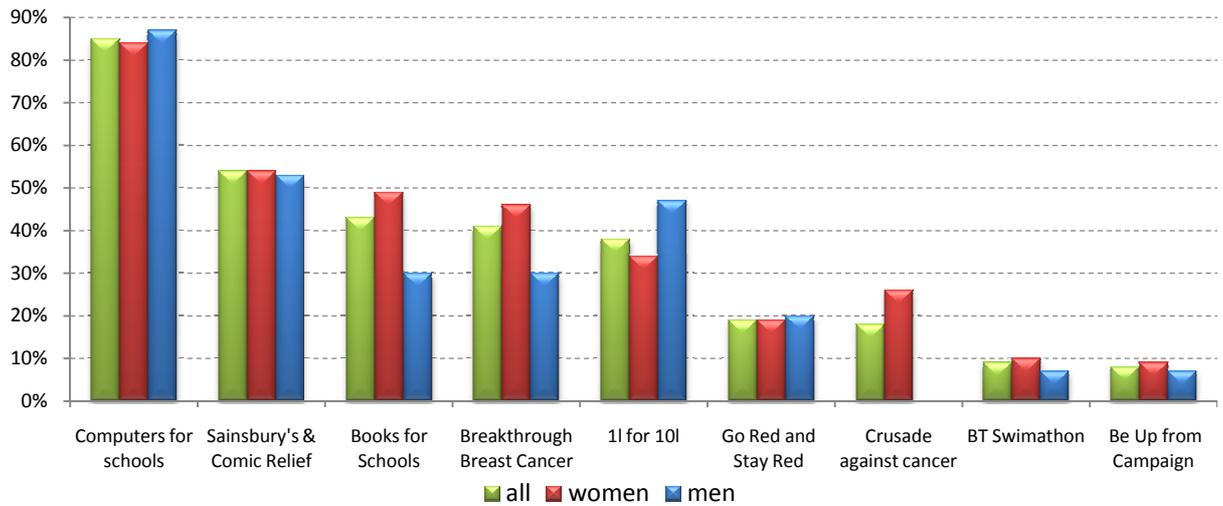
Findings denote that *Tesco’s Computers for schools* represents the highest level of prompted awareness. It is the longest running CRM campaign from all the initiatives mentioned above. Noteworthy is the fact that retailers-led activities features in three out of four leading CRM programmes. Aside Tesco, there is *Sainsbury’s and Comic Relief* partnership and Marks&Spencer’s *Breakthrough Breast Cancer*.

Schools-led activities (The Sun newspaper/Walkers Crisps *Books for Schools* and Tesco’s *Computers for schools*) are well recognized among students in Scotland. Mintel obtained

comparative results in 2000 in CRM market research. Increase in the awareness in those campaigns can be due to national TV advertising support for the promotion.

Breast cancer cause shows a significant gender variance. A strong female bias is evident in Marks&Spencer's *Breakthrough Breast Cancer* and *Avon crusade against cancer*. Almost half of women show the level of awareness of the former campaign while only one-third men are familiarised with it. The survey also indicates that no men are aware of the latter one.

**Figure 15** Level of awareness of specific CRM campaigns, Scotland



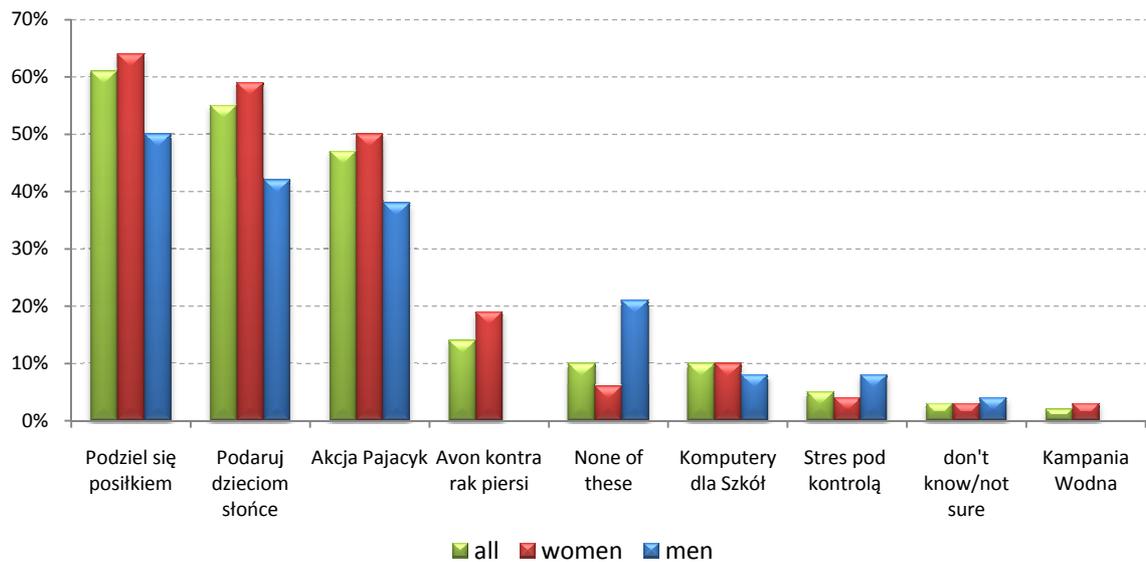
## QUESTION

*Which of these links did you actually take part in?*

Multiple responses were permitted.

The question examined the actual level of participation in specific CRM campaigns run recently. The list is the same as in the previous question. The aim of this question was to measure the participation and to establish benchmark data on participants' characteristics.

**Figure 16** Level of participation in specific CRM campaigns, Poland



Only one out of ten of the Polish sample did not take part in any of the CRM campaign or doesn't know/ is not sure about it, in comparison with 24% of Scottish respondents. The short history of CRM in Poland combined with survey results indicates that CRM has instantly developed in a short timescale.

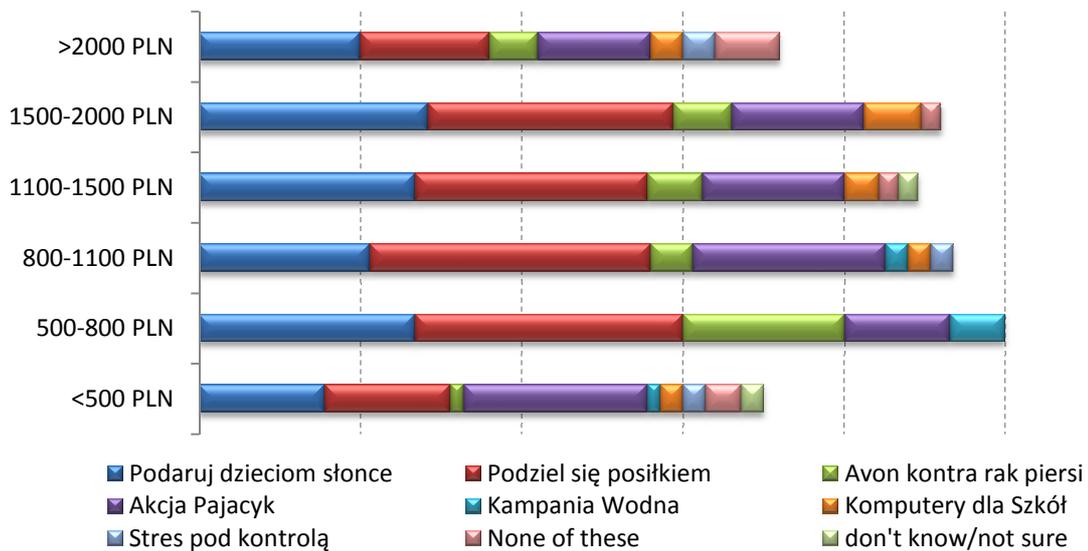
Some six out of ten respondents had taken part in *Podziel się posiłkiem* and *Podaruj Dzieciom Słońce* campaigns what indicated their successes. Almost half of the sample participated in *Pajacyk* programme. The high level of involvement in those campaigns is influenced by their longevity and great media coverage as well as simplicity of those programmes. Aside from those three, other campaigns achieved much lower levels of response (between 2% and 14% of the sample).

Analysing the best campaigns, the scenario can be described as follows:

- A leading brand/company, namely Danone and Procter & Gamble
- A worthy cause matching the respondents, e.g. malnutrition among children
- Good communication through on-pack information or POS material
- Additional above-the-line and below-the-line support to build awareness and encourage participation

Women are much more inclined than men to participate in CRM campaigns. The results may reflect the fact that women do shopping more often than men and that they are more receptive to CRM in principle and children and breast cancer causes in particular.

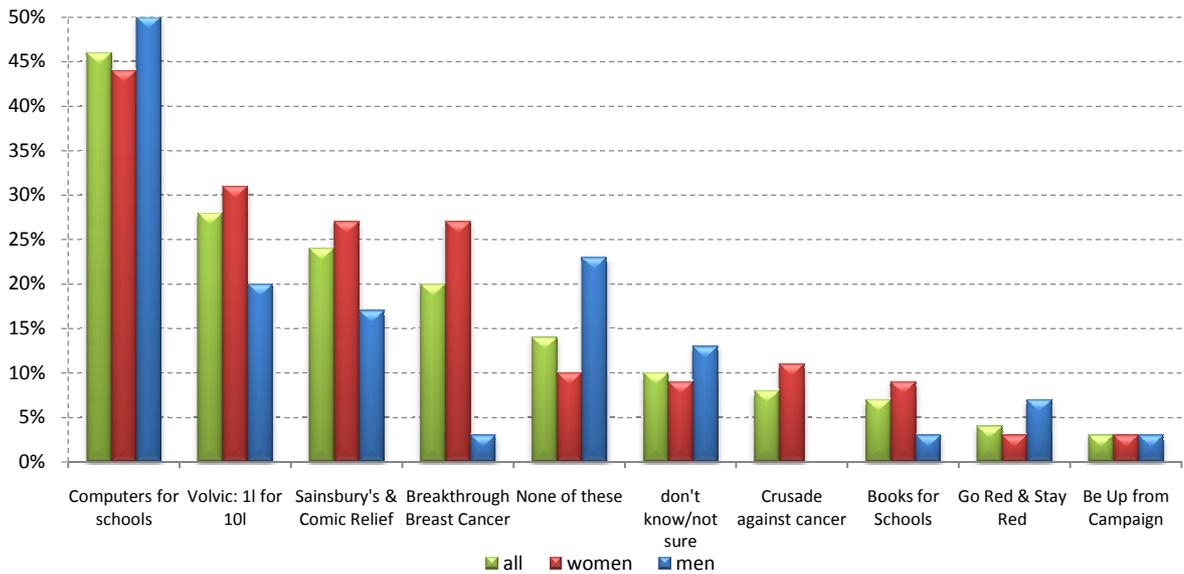
**Figure 17** Level of participation in specific CRM campaigns, by incomes, Poland



Students on a tight budget (<500 PLN) showed a low level of participation in CRM campaigns. This may indicate that the list of campaigns is dominated by a purchase triggered donations mechanism, which represents value for the cause and little value for the consumer. Polish students on a tight budget buy usually the cheapest products, predominantly supermarkets' own brands (e.g. TESCO value). Participation in the *Pajacyk* programme does not require any financial support, which could explain the high number of students who took part in it (57%).

Students with incomes between 500 and 800 PLN are more tuned into CRM campaigns. Their additional funds can be disposed on products, which supports worthy cause. They are keener to buy better quality products. However, the participation level does not rise proportionally to the incomes gain and students who have more than 2,000 PLN are involved equally as those whose budget is less than 500 PLN monthly. To conclude, incomes do not influence significantly the involvement in CRM programmes.

**Figure 18** Level of participation in specific CRM campaigns, Scotland

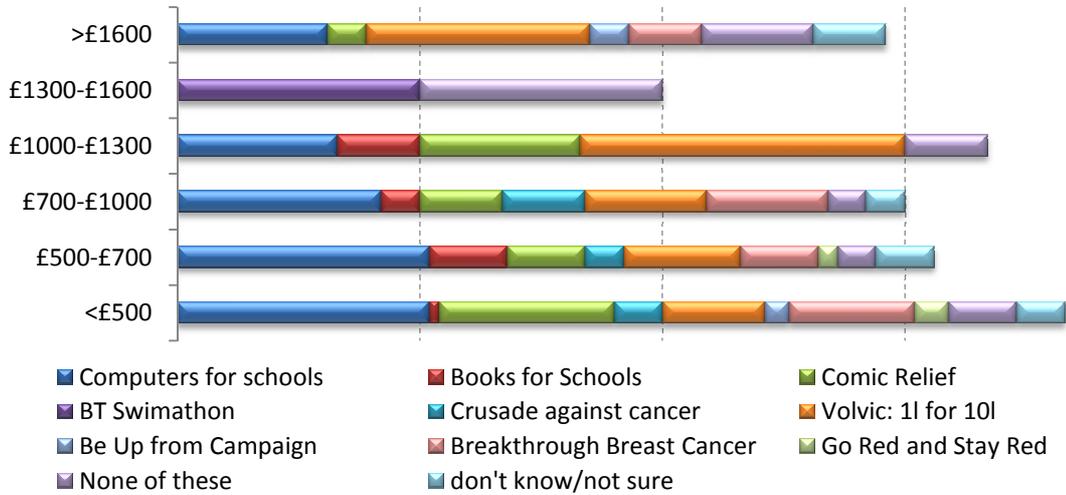


What is somewhat contrary to expectations, given that cause related marketing programmes are more numerous and better developed in the UK than in Poland, one quarter of the Scottish sample did not participate in any campaigns or is not sure about it. A high involvement in Tesco's *Computers for schools* indicates a further advance (by 16%) on the 30% benchmark level established in April – May 2000 (Mintel, 2000, p.97).

Gender differences are evident in propensity to participate in CRM campaigns in Scotland. Women's participation exceeds men's in seven out of nine campaigns. Men outnumber women in Tesco's *Computers for schools* and Persil's *Go Red & Stay Red*. This research affirms that women in Scotland, similarly to Polish women, are more receptive to CRM in principle and children and breast cancer causes in particular.

Participation in cause related marketing campaigns is heavily weighted to students with a budget less than £500 who actively took part in Tesco's *Computers for Schools* and Sainsbury's *and Comic Relief* programmes. They may feel that they can contribute to the cause in some small way through their everyday purchasing.

**Figure 19** Level of participation in specific CRM campaigns, by incomes, Scotland

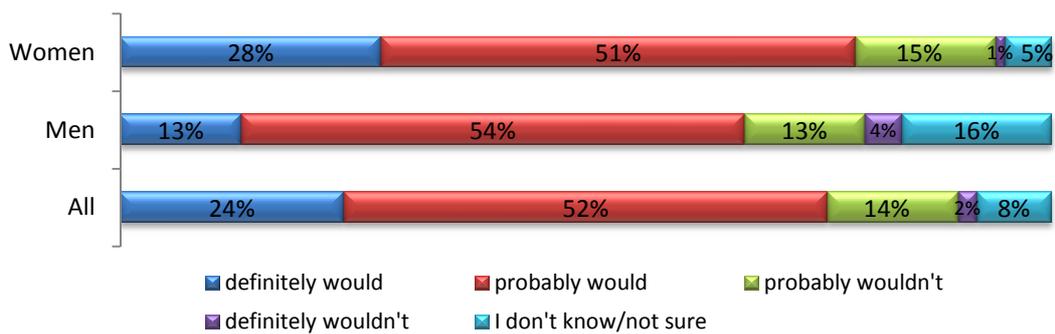


**QUESTION**

*How likely would you be to buy a product or brand that supported a good cause?*

The survey examined the likelihood of consumers buying a product that supported a good cause. It should be bore in mind that the question relates to hypothetical behaviour, which may be overstated.

**Figure 20** Propensity of cause related marketing campaigns to prompt purchase, Poland



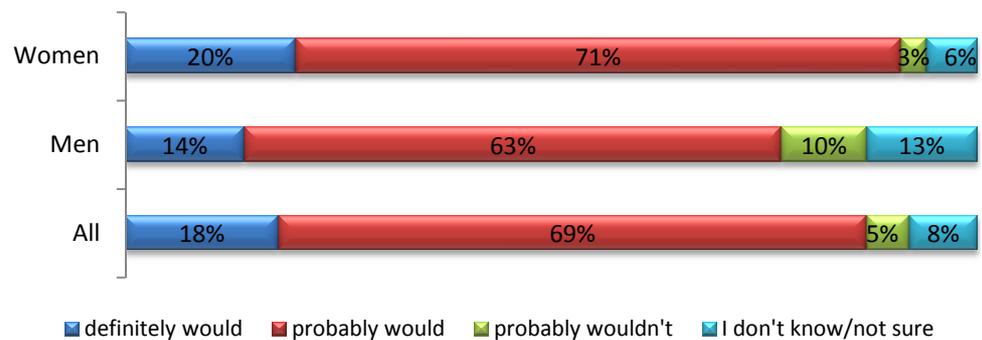
Three out of four Polish students are likely to buy a product, which supports a good cause, while being more likely to claim that they probably would rather than definitely would. The propensity to prompt purchase is higher among students in Scotland, where some nine out of ten say that they would probably or definitely buy these kinds of products. This may indicate

an either more positive attitude to CRM or less fixed brand loyalty, which facilitates switching.

Polish respondents are more sceptical to those links as 16% of them would not (probably or definitely) purchase a product or brand which supports a good cause in comparison with only 5% of Scottish students).

A slight female bias is evident in definite endorsement that a good cause would prompt purchase. Women who study humanities (business management in particular) and dispose budget higher than 2,000 PLN are more prone to say they definitely would buy a product that supports a good cause. In ‘probably would’ category only the budget factor changes to less than 500 PLN.

**Figure 21** Propensity of cause related marketing campaigns to prompt purchase, Scotland



The differences by gender are especially marked for propensity to say “I would definitely/probably buy a product which supports a good cause”. More than nine out of ten women say they would definitely or probably purchase those products, contrary to 77% of men. Furthermore only 3% of women is sceptical and say they probably wouldn’t buy them compared to one tenth of men.

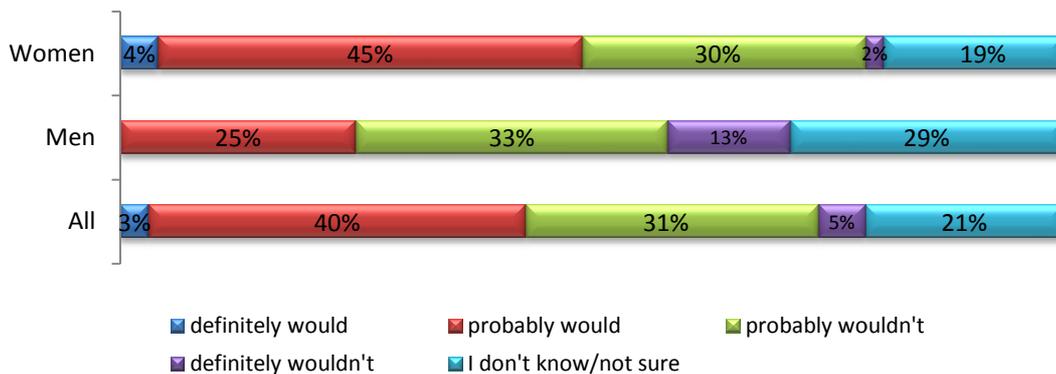
The ‘definitely would’ and ‘probably would’ stance is skewed to women who study sciences (business management in particular) with less than £500 budget.

### *QUESTION*

*How likely would you be to switch from your usual brand to one that was running this sort of link up?*

This question went on to explore the level of brand loyalty and possibility to switch brand to one that runs a CRM campaign. It could be used as a measure of the effectiveness of CRM campaign. It is important to note the hypothetical nature of the question.

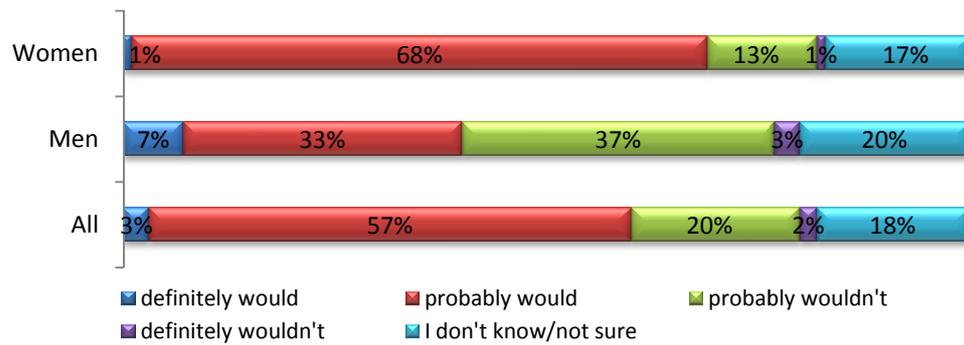
**Figure 22** Propensity of cause related marketing campaigns to encourage brand switching, Poland



A comparison of Polish and Scottish students shows that, the first one displays a higher level of brand loyalty or scepticism towards CRM. As much as 36% of the Polish sample would not switch their brand while only 7% more would do it. Scottish students seem to appreciate the power of CRM and only two out of ten respondents would be loyal to their brands while six out of ten would be willing to switch their brands.

Women show the distinct tendency to switch brands. They represent the ‘definitely would’ and the majority of ‘probably would’ groups. They are subject to CRM in general and findings from this question prove this hypothesis. Men are significantly less likely than women to switch brands. Data shows that ‘definitely wouldn’t’ group consist of men on a tight budget. This reluctance to brand switching and CRM support may be explained by high level of brand loyalty or, in a case of Polish students, by the way of doing shopping. Men may prefer to quickly buy tried and tested products rather than new ones, even if they support a worthy cause, as changing the buying behaviour may prolong the process of shopping.

**Figure 23** Propensity of cause related marketing campaigns to prompt purchase, Scotland



The nationality is not pivotal to the response in terms of the ‘probably would’ stances. Women, students of sciences, represent this group. Contrary to expectations, a good cause is much more likely to influence men rather than women when it comes to ‘definitely would’ stance. Moreover, only 3% of the Scottish sample says that CRM ‘definitely wouldn’t’ lead them to switch brands. The findings suggest that male students in Scotland are more prompt to novelties than male students in Poland.

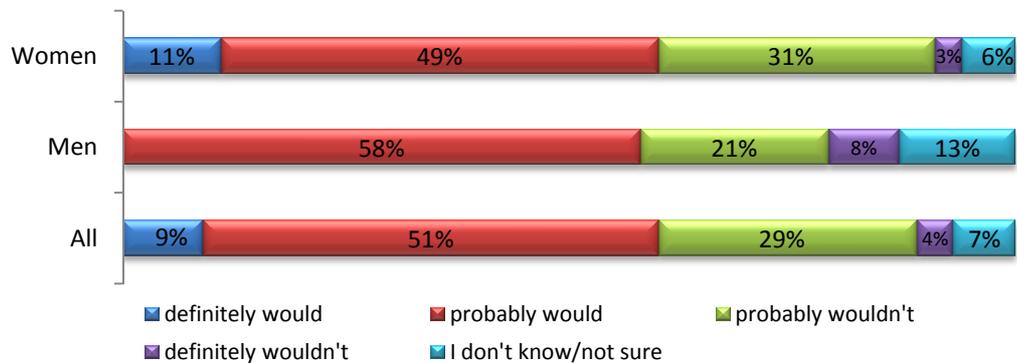
### *QUESTION*

*How likely would you be to pay a little extra (e.g. an extra 5p on a £1 item) for a product, which supported a good cause?*

The next question examined the willingness to pay more for a product that supports a good cause. Many CRM campaigns in Poland operates on the basis that the consumer pays a price premium for a product while in the UK it is the company who borne the costs<sup>64</sup>. It may explain why students in Scotland (83%), in comparison to Polish students (60%), are more likely to pay a little extra for a product that supports a good cause. From the marketing perspective the results are encouraging response.

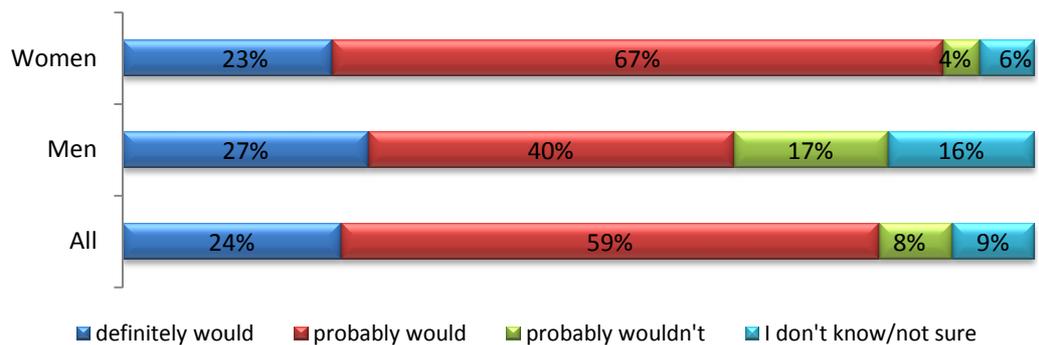
<sup>64</sup> <http://cebi.pl/new/pl/badania/seminarium/etyka-w-biznesie-gospodarce-i-zarzadzaniu-ebigoza.html>

**Figure 24** Propensity of cause related marketing campaigns to spend more on a product supporting a good cause, Poland



No definite pattern emerges by gender. The same percentage of male and female students would definitely and probably spend more on product supporting a good cause. Findings also indicates that those studying sciences are more willing to pay more as well as those whose incomes does not exceeds 500 PLN. This may be driven by the fact that CRM is the only affordable way for them to support a charity. However, the same economic group together with better off students would not spend more. As the former could be explained by limited incomes and price sensitivity, the latter one surprises.

**Figure 25** Propensity of cause related marketing campaigns to spend more on a product supporting a good cause, Scotland



There is a marked polarisation between male and female students in Scotland when it comes to the 'probably would' response. Women are much more favourably disposed to the concept of paying 5% extra for a product that supports a good cause. Women are also less likely to say they 'probably wouldn't' do it. Data shows no 'definitely wouldn't' stance in the Scottish

sample what may indicate that students in Scotland are less cynical and they haven't yet experience the financial pressure.

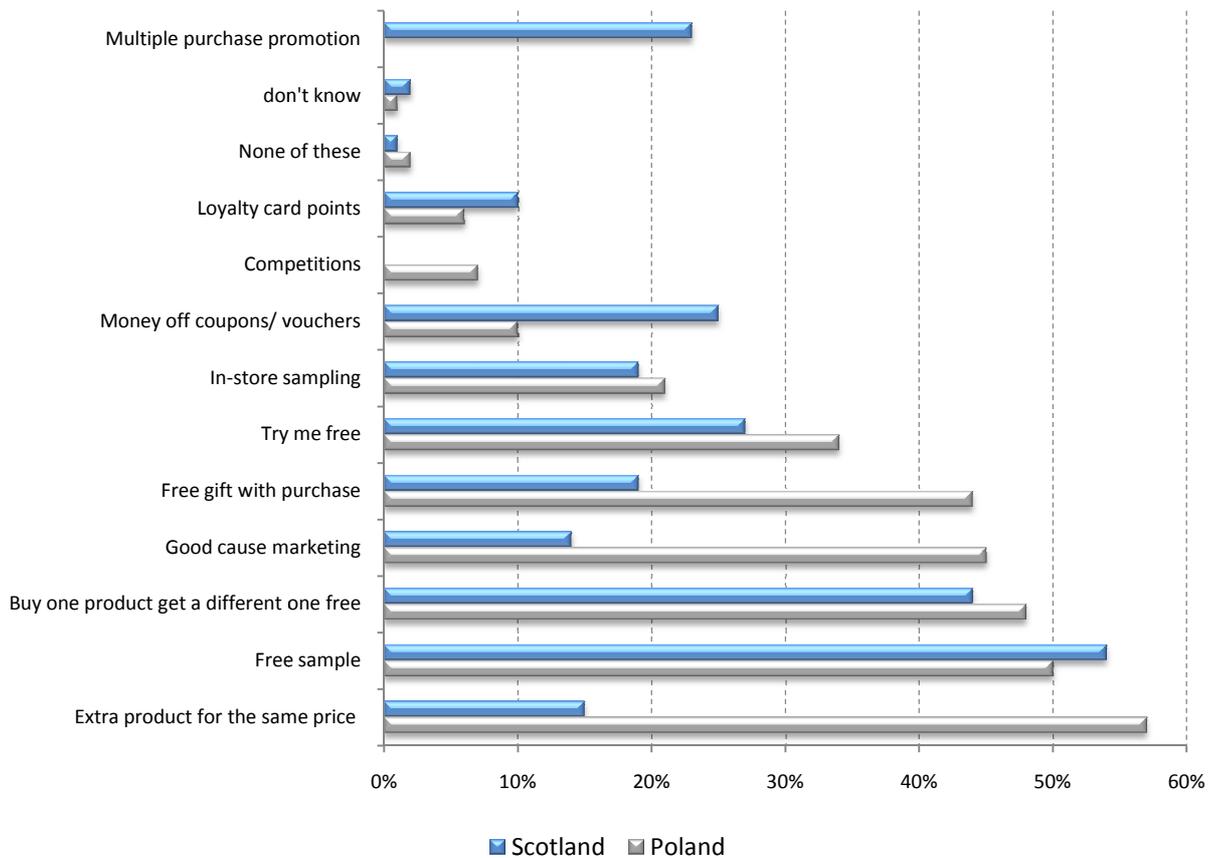
**QUESTION**

*Which of these do you think would be most likely to encourage you to switch from your regular brand or buy a product you don't normally buy?*

A multiple response was permitted.

The key objective of this question was to ascertain which promotional techniques could encourage to switch between brands. The detailed list was aimed at putting the role of CRM in the overall consumer marketplace in context.

**Figure 26** Promotional offers held the most likely to encourage brand switching, Poland and Scotland



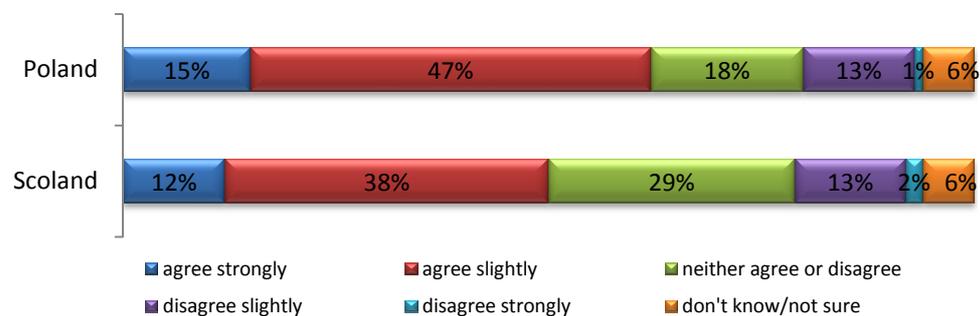
Significant differences between promotional techniques in Poland and Scotland are worth noticing. Contrary to the hypothesis, as much as 45% of the Polish sample would switch from the regular brand to the one they don't normally buy, encouraged by CRM. Scottish students tend to be more receptive to good cause marketing as a reason of switching their brands. The response of 15% of the Scottish sample may indicate that other promotional techniques may have greater impact on buying behaviour.

### QUESTION

*Do you agree or disagree that companies are just cashing in on public sympathy with these sorts of links to increase sales?*

This question examined whether the respondents agreed or disagreed with the statement about companies' motives of involvement in CRM initiatives.

**Figure 27** Response to the statement affirming companies, which run CRM campaigns, are cashing in on public sympathy, Poland and Scotland



Six out of ten Polish students agree (strongly and slightly) with the statement that 'companies are just cashing in on public sympathy with these sorts of links to increase sales' in comparison with half of the Scottish sample. It may indicate the public disquiet about companies' motives, as only 15% of Polish respondents believe that companies are driven by other motives of involvement, which were surveyed, in the following question.

## QUESTION

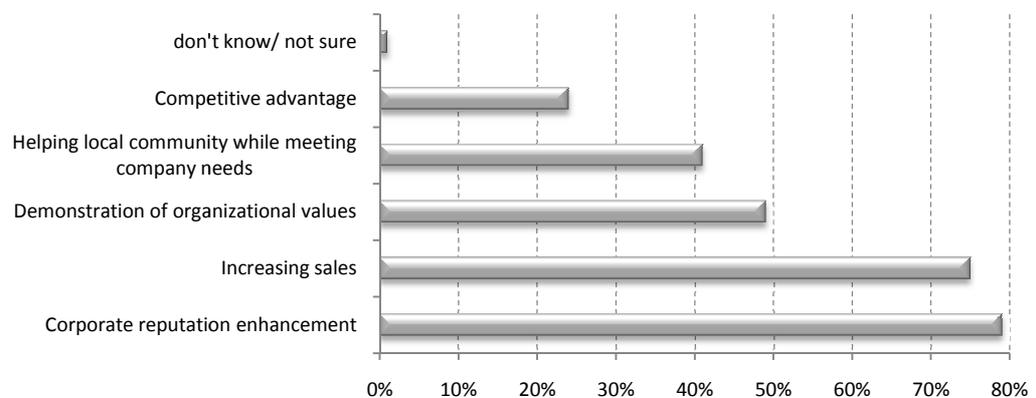
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*In your opinion what drives the company to engage in CRM campaign?*

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This question was asked to verify the hypothesis that Polish students are more sceptical about companies' motives to involve in CRM campaigns and to examine students' perception of company motives of involvement.

**Figure 28** Response to the question about company drivers in CRM campaign's engagement, Poland



Findings indicate that increasing sales is not the primary motive but it is one of the most important. Data show 'corporate reputation enhancement' well out in the lead with almost 80% of the sample. Competitive advantage was cited by one quarter of the sample as the main company driver in CRM engagement. 'Helping local community while meeting company needs' mentioned by only 40% of the sample proves that Polish students are sceptical towards companies' involvement in CRM campaigns.

### **3.3. LIMITATIONS AND ACCURACY**

One of the criteria of suitability of primary data is coverage. Saunders *et al.* (2007) underline that it is important that the data covers the population and the time period which helps to answer the research questions with a possibility to exclude unwanted data. Kaczmarczyk (1991, pp.236-237) adds criteria of accuracy, conformity and effectiveness.

#### *3.3.1. ACCURACY OF THE MEASUREMENT INSTRUMENT*

No research about Cause Related Marketing was previously conducted among students in Poland. Using questionnaire as a measurement instrument was effective in terms of costs. There was also relatively high level of answer indicator.

#### *3.3.2. LIMITATIONS TO THIS RESEARCH*

Passing over important issues – questionnaire conducted in Scotland is short of two questions which were added in Polish questionnaire. Those data would help to explain students' perception of company motives to involve in CRM.

When designing a questionnaire, all cultural differences should be taken into account to avoid misunderstanding. To make it easier for the respondents, the questionnaire contained only closed questions. It could however imply the answer, especially in the question about CRM. In future research, the sample should be increased and it should cover students in main cities in both countries. Especially the number of male respondents should be higher. Additional research could be made in 3-5 years to see changes in students buying behaviour.

## 4. FUTURE OF CRM IN POLAND

Someone said that Corporate Social Responsibility is a way of earning, not spending money. It is an investment from the corporate point of view. When designing any CSR/CRM campaign, the aspect of resources spent in short term should be prevailed by possible gains in the longer term. It is especially important during the economic downturn.

Last year, many Polish companies experimented with CSR and CRM. Today, due to the crisis, the question of reasonableness and profitability of CRM is raised. The recession has made many companies cut their corporate-philanthropy budgets what means that charities lost some of their financial resources. Moreover, British charities, in order to cope with a collapse in donations, have dismissed 8,000 of posts in the last three months of 2008 (Nigel, 2009). Crisis showed that pure philanthropy and traditional corporate responsibility initiatives may suffer but “core elements of the sustainability agenda will survive or even thrive in re-ordered economy” (Vermeer and Clemen, 2009). They claim that the crisis “will produce more integrated, strategic and value creating sustainability efforts” (Ibid.).

### 4.1. DIFFERENT VIEWS ON POLISH CRM PRACTICE

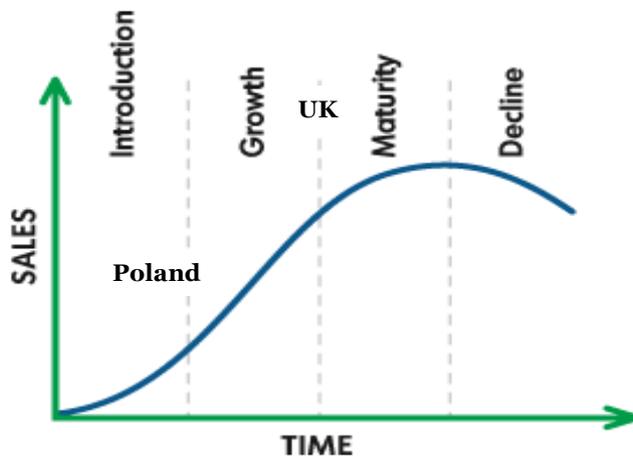
Since September 2008, when I collected first data for this work, many things have changed in the Cause Related Marketing on Polish market. Two new national campaigns were introduced: *Moje silne drzewo* created by Żywiec Zdrój and Nasza Ziemia Foundation and *Kampania Wodna* as the result of the partnership between PHO and Cisowianka. Simultaneously, other well established campaigns run their successive editions.

Different perspectives on Polish CRM practice were obtained through face-to-face and screen-to-screen interviews (see appendix 3 for questions). Questions were related to CRM practice at interviewee’s organization or company, perceived benefits and risks, CRM design and its future in Poland. Five practitioners and theoreticians were interviewed:

- Przemek Pohrybieniuk – CSR and Sustainable Development Director at Danone – a leader of Polish CRM practice
- Marek Borowski – the director of Federacja Polskich Banków Żywności
- Dominik Dobrowolski – the vice-president of Nasza Ziemia Foundation
- Liliana Anam – the founder and manager of CSRinfo platform
- Paweł Prochenko – the founder and chairman of The Foundation for Social Communication and creator of many social campaigns

All interviewees agree to situate Cause Related Marketing in Poland between introduction and growth stage at its life cycle curve. Current place of Polish and British CRM practice is presented at Figure 29.

**Figure 29** Cause Related Marketing life cycle.



*Source: Own elaboration*

Polish CRM market is characterised by little competition, low level of prompted awareness and low sales volume. While in the UK there is an increased number of competitors entering the market, high sales volume, high level of awareness and differentiation of CRM products and lowered costs. Therefore, Polish CRM practice requires different strategies than those used by companies in Great Britain where the CRM market is mature.

#### 4.1.1. COMMERCIAL POINT OF VIEW

Cause Related Marketing is inscribed in Danone's strategy as a responsible company. Starting with extensive market research through choosing a cause and programme partners, ending with programme evaluation, Danone serves as a great example of Polish CRM practice. Measurement tools embrace the evaluation of three groups: the society, the company and employees. Programme currency is one warm meal. The company reports back to its stakeholders with number of meals funded. It is also the main indicator of campaign's success, apart from analysis of its impact on society. Corporate image enhancement and increased sales are ranked as evaluation of corporate benefits. Pohrybieniuk underlines also the role of employees in this process. Their engagement in the programme influences their loyalty towards the company and gives them, what he calls, *purpose full work*.

According to Pohrybieniuk, CRM may be still controversial in Poland. The main reason for that is lack of knowledge and ignorance. As Figure 11 shows, every third Polish student is familiar with CRM term. There is a communication issue. Companies do not communicate their campaigns extensively and do not publish their results what may explain customers' distrust towards them. On the other hand there is a conviction that social activities are reserved for NGOs and talking about benevolence is unethical. Surprisingly, consumers demonstrate low level of interests in programme results. The sustainable communication supported by education campaign, is the golden mean for companies which want to develop CRM programme. Companies should invest time and money in educating students as they are more open to novelties such as CSR or CRM. They are also environmentally, socially and market aware and less mistrustful at the same time.

Pohrybieniuk places CRM in Poland at the introduction stage what allows companies to implement 'blue ocean' strategy – make the competitors inessential through introduction of CRM products. CRM has great potential for further development and activities in this field would intensify. Threats which have to be taken into account are: mistrust of Polish consumers, increased number of CRM initiatives which can lead to compassion fatigue. There is also a risk that even though consumers declare that they would buy products that support good cause, in the face of crisis they would be guided by price not by corporate social responsibility.

#### *4.1.2. NONGOVERNMENTAL PERSPECTIVE*

Dominik Dobrowolski states that NGO involves in CRM due to social, ecological and educational effects on a large scale what could be impossible to obtain by other means e.g. together with Żywiec Zdrój they plant million trees. CRM campaign is for NGO a chance of national promotion, brand enhancement and finally a chance to obtain additional resources for daily activities. The last benefit is the most important one for Marek Borowski. Bank Żywności is a well established brand in the position of designing a campaign and then searching for a partner. The process of matching the NGO, cause and company is at great risk and requires proper preparation and compromises from all parties. NGOs have utterly different rating of benefits than corporations. The partnership is not free from risks, though. Dobrowolski mentions three main issues which NGOs have to bear in mind: the risk of joint responsibility for dishonesty of commercial partner, domination of marketing message over

the social one, loss of credit and image worsening. Borowski adds discrepancy between commercial and non-profit goals.

Borowski explains position of CRM at the growth level by generally low quality of life in Poland and low tendency to help those in need. Dobrowolski in turn, explicates it by lack of professional partners among NGOs. Market of NGOs in Poland is mostly filled with small, local and not known brands. Business searches for known and recognisable brands among NGOs for CRM cooperation. Borowski adds that companies realised that their economic success is inevitably connected with their social success. Both parties have to mature to cooperate together. NGOs should professionalize and business should socialize.

#### 4.1.3. CRM CONSULTANTS – THEORETICIANS AND PRACTITIONERS

Theoreticians mention company's values as a reason of its involvement in CRM. Interestingly, Paweł Prochenko, contrary to practitioners, points out other factors in design of Cause Related Marketing programme. He concentrates not only on single company's or charity's benefits but also on the third side – a consumer. As the most important he sees consumer engagement, *brand architecture* and transparency of rules and cash flow. Liliana Anam completes it with: knowing why CRM?, defining goals, periodic monitoring and communication of results. Proper implementation of those factors facilitates coping with negative effects of CRM. According to Prochenko, CRM should be inscribed in the wider context of CSR strategy. Whereas Anam claims that responsible business as any other business should be profitable and therefore, the company should transparently communicate its activities in this field. Consumers' cynicism may result from too intense communication in relation to availability of the promoted product. Both consultants agree that CRM in Poland is currently at the introduction stage and slowly moves to the growth stage, what implicates its further development and intensification CRM programmes.

The difference in CRM perception of commercial's, NGO's and theoretician's representatives explains why Polish CRM market is not as successful as the British one. Lack of common language between corporate and non-profit world makes it even more difficult to cooperate as partners. It requires maturity from both parties and realization of needs and goals of the other side.

## 4.2. EFFECTS OF ECONOMIC CRISIS ON CRM

Bartłomiej Remisko, a head of CSR in Telekomunikacja Polska S.A., claims that the crisis would sift companies. Only those which have their CSR activities linked to corporate strategy will survive.<sup>65</sup> The same could be said about CRM programmes. Those companies which treat it as a PR tool would diminish. Mirella Panek-Owsiańska (Raport Odpowiedzialny Biznes w Polsce 2008. Dobre praktyki, p.3) maintains that year 2009 will test those companies where CSR is only a fashionable and peripheral supplement which will be reduced within the framework of budget's economy.

The fact that cause related marketing is a *win:win:win* strategy, doesn't necessary mean that all companies should start its implementation. In certain sectors it would just not work. During the downturn only certain programmes and causes would attract customers while others wouldn't. The use of purchase triggered donations mechanism would be reduced as recent researches showed that consumers are much more price sensitive that they were before the crisis (CSR w trudnych czasach, 2009, p. 6). Instead, CRM efforts which involve the educational arena would become more elaborate. When it comes to the cause, the environmental theme would be copied by companies as they understood that sustainability management can contribute to the bottom line by reducing costs through more efficient use of resources.

The author of The Economist's article<sup>66</sup> claims that companies will maintain their commitments to sustainability through the economic downturn mainly due to the need to restore confidence in business. Now that people have seen the damage corporate irresponsibility can do to the entire world, customers will be focused on seeking businesses that take responsibility for their actions. Companies "have a chance to show that they are not just motivated by short-termism after all" (Ibid.). Long-termism is what CSR and CRM is and should be all about.

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<sup>65</sup> CSR Day conference [29 May 2009]

<sup>66</sup> [http://www.economist.com/business/displayStory.cfm?story\\_id=13648978](http://www.economist.com/business/displayStory.cfm?story_id=13648978)

### 4.3. RECOMMENDATIONS FOR FUTURE CRM PRACTICE

Due to the crisis, the market created opportunities for new initiatives. Rok maintains that it might be interesting as the crisis causes new challenges for the management team.<sup>67</sup> Certainly it would be more serious and more difficult time for everyone.

We are still far away from British consumers who buy a cause-related product every second.<sup>68</sup> However it would change in the future as Polish CRM practice move to the maturity stage of its life cycle. Firstly, more and more companies introduce CRM mechanism and secondly, the success of subsequent editions of Polish campaigns proves that it works – more and more consumers buy products that support a good cause.

Analysing the results from the chapter 3, some recommendations for future CRM practice on Polish market can be outlined. Women should be the target group for CRM practitioners as they are more prompted to purchase, switch brands and pay more for a product that supports a good cause (Figures 20,22 and 24). It may suggest them to design a campaign which will concern female products from FMCG group (Figures 14 and 16). Moreover, to increase its efficiency, it should be paired with children's causes, cancer or international aid causes (Figure 9 and 10). However, there is no rule about the topic of CRM. It should be preceded by in-depth market research and it should match company profile and strategy. It is also about standing out of the crowd – differentiation.

To ensure the success of CRM campaign, the research should be followed by education (probably governmental support is needed) about the cause and CRM/CSR in general. Aside from Danone and Vizir brands, the remaining ones were mentioned by less than 25% of students (Figure 14). Balanced and sustainable communication about company's activities is crucial. Consumers are familiar with main CRM programmes in Poland but cannot link them with company name. Again there is a communication issue. More should be done to increase their participation which oscillates around 50% (Figure 16). Perhaps transparency and honesty in communication messages should be improved.

Figure 17 proved that incomes do not influence directly the buying decision. However, during the economic crisis companies should not increase CRM products' prices in order to finance the marketing campaigns.

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<sup>67</sup> Conference designed for the release of "Responsible Business in Poland 2008. Good practices" report

<sup>68</sup> [http://www.crisis.org.uk/page.builder/cause\\_related\\_marketing.html](http://www.crisis.org.uk/page.builder/cause_related_marketing.html)

The spin on global financial markets is a proof that managing the company in a responsible manner is a key to assure the company's sustainable development which, in the light of downturn, would come into prominence. The economic downturn would swift companies and the general approach to corporate social responsibility. The crisis worsens the situation of many people and therefore it gives companies some ideas for social causes. Those companies which want to survive tough times would definitely have to rethink their programmes and activities. To fight for market share, they would have to take consumer's needs into consideration. It would result in inscribing CRM and CSR in company's strategy and in more strategic approach to designed campaigns. As a consequence we receive a *win:win:win* strategy which benefits all three: the company, the organisation and us – the society as a whole and as a single consumers.

## CONCLUSIONS

This work aimed at proving the hypothesis that CRM is a tool to enhance the corporate image with significant bottom-line and community impacts. The mechanism of CRM was introduced in chapter 1 as well as benefits from its implementation. In chapter 2, good case practices from Great Britain and Poland were introduced to emphasise the positive effects of CRM for the company, the NGO and the customer. In chapter 3, the survey results proved that company's involvement in CRM is perceived, first of all, as a tool to enhance their corporate image and to increase sales. Also company's representative agreed with this hypothesis.

This work also aimed at measuring and comparing the level of awareness of and participation in Cause Related Marketing campaigns among Polish and Scottish students. The hypothesis that Scottish students are more aware of CRM programmes was refuted as neither the awareness nor the participation level in Scottish CRM programmes was higher than in Polish ones. The number of Cause Related Marketing programmes might be pivotal in these findings.

The interviews' revealed that CRM in Poland is situated between introductory and growth stage and all respondents agreed on its future development. Success of CRM abroad indicates that there is a bright future for CRM in Poland. Findings from Chapter 3 suggests that future successful CRM campaign consists of FMCG company, NGO that supports children's, cancer's or international aid's causes and women as a target group. In the face of the economic downturn, number of Cause Related Marketing campaigns would not decrease but quite contrary it would augment.

The future of CRM – the *win:win:win* strategy – lies in improved company's communication to all stakeholders as well as its socialization simultaneously with organizations' professionalization and consumers' education.

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