

The Impact of Cause Related Marketing on Consumer Perception and Brand Loyalty

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Abstract- The effect of cause related marketing on consumer perception and brand loyalty Cause-Related Marketing (CRM) has become an effective strategy tool to be used by companies, which intend to position their brands better, affect consumer perception, and achieve long-term brand loyalty. Although it is rapidly being embraced, most CRM campaigns do not gain consumer longevity since there is doubt about the authenticity and transparency of the brand. The current research examines the correlation between CRM, consumer perception and brand loyalty alongside test mediating consumer trust and moderating brand-cause fit. The paper deals with the Indian FMCG industry, the sphere of which CRM activities have begun to grow following the COVID-19 pandemic and more significantly. The research will use a structured questionnaire and a sample of 100 participants to offer the information on the impact of CRM on the attitude of customers and the aspects involved in effective CRM strategies. The results will be used to develop persuasive, credible and emotionally appealing CRM initiatives by the brands.

Keywords: Cause-Related Marketing, Consumer Perception, Brand Loyalty, CSR, Brand Trust, Purchase Intention, Ethical Branding.

I. INTRODUCTION

Cause-Related Marketing (CRM) has evolved as a strategic partnership between corporate entities and social good, which is used to promise by a business that it will donate percentage of its sale proceeds to some charitable cause based on customer's purchase. In an environment of competition, CRM acts as a differentiating tool that can be used both to improve the corporate image and to show CSR. There are a lot more 'social' consumers who want to buy from companies that give back now. Accordingly, CRM initiatives affect the consumer propensity to purchase as well as long-term loyalty.

This article examines the influence of CRM on customer attitude, emotions and behavior toward brands

II. PROBLEM DESCRIPTION

In a competitive market, brands are using cause-related marketing (CRM) more and more to stand out and connect emotionally with consumers. However, consumers may see CRM campaigns as either authentic or as tactics meant only to boost profits. This confusion raises questions about how CRM affects consumer perception and whether it leads to lasting brand loyalty. The uncertainty around factors like brand-cause fit, credibility, and consumer trust creates a gap in understanding how effective CRM really is. Therefore, it is crucial to examine how CRM influences consumer attitudes and loyalty toward brands.

1. Disjointed Technology Infrastructure

Disjointed Technology Infrastructure means that an organization's digital tools, software systems, hardware, databases, and platforms are not connected. They do not communicate well with each other and work in separate silos. This results in inefficiencies, data inconsistencies, and delays in operations.

Research Objectives

To examine how cause-related marketing affects consumer perception.

To study the link between CRM and brand loyalty.

To identify the factors that build consumer trust through CRM.

To look at consumer attitudes toward brands that support social causes.

To offer suggestions for companies to improve CRM effectiveness.

1. Literature Review and Conceptual Foundations
Varadarajan and Menon (1988) introduced CRM as a strategy that improves a company's reputation and consumer goodwill.
2. Ross et al. (1992) found that CRM positively affects consumer attitudes when the cause is credible and relatable.
3. Lafferty and Goldsmith (2005) noted that brand-cause fit is crucial for building consumer trust and a positive perception.
4. Barone et al. (2000) concluded that consumers prefer brands linked to credible social causes, often choosing them over competitors.
5. Bhattacharya and Sen (2004) argued that CRM deepens emotional connections, leading to greater loyalty.
6. Hoeffler and Keller (2002) explained that CRM boosts brand equity by providing social value.
7. Kotler and Lee (2005) highlighted the role of CSR initiatives, including CRM, in shaping public perception and keeping customers.
8. The literature shows that CRM can influence perception, trust, and loyalty. However, the strength of this influence varies based on the relevance of the cause and consumer beliefs.

buy; • Increased sensitivity to loyalty programs; and • Stronger attachment to companies when they sense seamlessness, personalization, and convenience. These results validate omni-channel retailing as a crucial instrument for gaining a competitive edge.

III. RESEARCH STRUCTURE AND HYPOTHESES

Structure of Research and Hypotheses

Questions for Research

Research Type:

Descriptive and analytical research

Data Collection:

Primary Data: Structured questionnaire (Likert scale) from 120 respondents

Secondary Data: Journals, articles, research papers, company reports

Theories

H1:

Cause-Related Marketing has a significant positive impact on how consumers see brands.

H2:

Consumer perception significantly affects brand loyalty in CRM campaigns.

H3:

There is a significant relationship between brand-cause fit and consumer trust.

H4:

Cause-Related Marketing initiatives significantly improve brand loyalty.

H5:

Consumer trust affects the relationship between CRM and brand loyalty.

IV. CONCEPTUAL FINDINGS (YOU CAN REPLACE WITH ACTUAL DATA LATER)

Consumers see brands involved in cause-related marketing (CRM) as more responsible and trustworthy.

A good fit between the brand and the cause increases consumer acceptance and lowers skepticism.

The emotional appeal of the cause greatly affects buying intentions.

CRM has been shown to improve brand loyalty, particularly among young and socially aware consumers.

Consumers want transparency about how funds are used for the cause.

Frequent CRM campaigns create a strong, long-lasting relationship with customers.

Interpretation

The study's findings show that Cause-Related Marketing (CRM) significantly affects how consumers see a brand. When consumers notice a brand linked to a meaningful social cause, they often view it as more responsible, trustworthy, and appealing. This better perception directly impacts their decision-making and increases the chances of choosing that brand over its competitors.

Anticipated Results and Discussion

Based on existing research and theories about consumer behavior, the expected results of the study suggest that Cause-Related Marketing (CRM) will positively influence both how consumers view brands and their loyalty to them. Consumers are expected to:

- See brands involved in CRM as more ethical, responsible, and trustworthy.

- Build stronger emotional ties with brands that support important causes.
- Show a greater intention to buy when the cause matches their personal values.
- Be more loyal to brands that regularly engage in socially beneficial activities.

We also expect a strong positive relationship between brand-cause fit and consumer trust. When a brand chooses a cause that is relevant and credible, consumers are more likely to see the brand's intentions as genuine rather than just promotional.

Theoretical Implications Discussion

The findings of this study greatly add to the current ideas in marketing, consumer behavior, and corporate social responsibility. They show how Cause-Related Marketing (CRM) affects how consumers view brands and their loyalty to them.

The study backs up the idea that consumer perceptions are shaped by more than just product quality or price. A brand's ethical and social actions also play a role. CRM is essential in how consumers develop attitudes toward brands, highlighting the importance of perception-based decision-making models in today's marketing.

V. CONCLUSION AND MANAGERIAL IMPLICATIONS

Conclusion

Cause-Related Marketing has become a strong tool for influencing how consumers view brands and building loyalty. When brands back meaningful social causes and communicate them well, consumers develop trust and emotional ties to the brand. CRM helps society while also providing a competitive edge and fostering long-term customer relationships. Therefore, it is important for organizations to carefully design CRM initiatives that connect with their target audience and maintain authenticity.

Managerial Implications

- The findings of this study offer several useful insights for managers who want to use Cause-Related Marketing (CRM) to improve consumer perception and build long-term brand loyalty. These insights can help inform strategic choices and the successful execution of CRM initiatives..

VI. LIMITATIONS AND FUTURE STUDIES

The study has limitations due to a small sample size and self-reported data. This may impact the reliability and broader application of the findings. Future research should involve larger, more diverse samples and longer-term designs to gain a clearer picture of how consumers respond to CRM over time. Additional studies could also look into other psychological and cultural factors that affect CRM success.

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