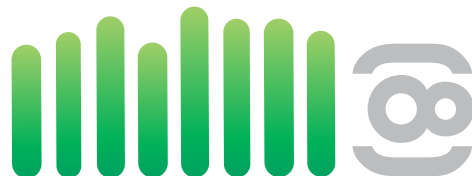


# Consider the Cause.

## Creating Value Through Cause Related Marketing

Win, Win! Building brand value, creating meaningful relationships and serving a greater good.

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Brand strategy. Conscious messaging. Intelligent design.



## Consider the Cause.

Creating Value Through Cause Related Marketing. Win, Win!

Strategies for building value, creating meaningful relationships and serving a greater good.

Cause Marketing, a strategy commonly used, has proven effective in both deepening brand value and gaining exposure for worthy causes. The general idea of cause [related] marketing involves the cooperative efforts of a “for profit” business and a “not for profit” organization for mutual benefit.

Simple formula? Sure! Far reaching results. You bet.... But the benefits are NOT only what’s visible on the surface. In other words, the value added cannot only be gauged through tracking sales and press coverage. The benefits reside deeper, on an emotional level that impact the long-term customer – brand relationship.

Plainly, organizations that associate themselves with causes receive the benefits through that association creating an emotional link between the two. In other words, combining a brand name with the good feelings that surround a specific cause can create a beneficial emotional charge.

Consider this basic example of the principles of cause marketing. Imagine that you are hungry and simply want to fulfill the functional aspect of feeding your hunger. You don’t particularly desire a formal dining experience instead would prefer a simple, hassle-free wholesome meal. You are in the midst of making a decision of where to eat, and a light bulb goes off in your head. You remember the comfortable casual family run hamburger joint on the corner. A light flashes...Perfect! Automatically your mind drifts to the poorly framed photograph of the local little league team they sponsor on the wall. Next you remember the kids smiling faces, the time you spent looking at each face wondering what each of them will be when they grow up. You are reminded of your childhood dreams and the excitement you once had about growing up and relaxed back into the wonderment of youth. Whatever or wherever it takes you, it’s pleasant. Suddenly, you are craving that cheeseburger and fries plate you had there last time.... a wholesome satisfying meal, pleasant experience and a friendly retreat. Yeah, that’s what you are going to do, where you are going to eat.

Simply illustrated, a perfect balance of emotion influencing one’s buying decision.

The historical basis for the term “Cause Marketing” is attributed to a campaign created in New York by American Express in 1983 that linked consumer card usage to raising money and awareness for the local charity. This local charity just happened to be the Statue of Liberty, a smart choice, well known cause with a huge brand POP!



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American Express was acutely aware that the functional benefits of using their product far outweighed any emotional benefit. Functional benefits were strong and include the qualities of convenience, purchasing power, prestige, trust, etc. In order to layer the emotional benefit, in 1983, American Express launched a new campaign targeting both the cardholder and local vendors (that accepted American Express cards). The idea behind the campaign was to increase card use. For every dollar spent using the card, AMEX would donate 1¢ towards the charity. The campaign itself helped promote the local business while proceeds were raised for the Statue of Liberty Restoration project at the same time. A great example of a win – win campaign, absolutely brilliant! Contributing its success, the campaign combined the functional benefits of using American Express' service (making a purchase the Amex charge card) and the emotional benefit of contributing to a noble and patriotic cause. FEEL GOOD while SPENDING MONEY (=making purchases with the American Express card). There were measurable and traceable results, however the true value added was successfully penetrating American Express' customers emotional core infusing a great feeling during card usage (brand experience). Delivering emotional benefits to customers IS the actual goal in this case.

Marketers swiftly learned from this campaign. Here are two other examples of successful cause related marketing campaigns, each with a unique spin.

Recently Saturn Cars launched a cause marketing strategy as part of its recent "Rethink American" campaign. Saturn partnered with "Habitat for Humanity" to raise awareness and capital for the non-profit organization. In conjunction with a 60% increase in sales in February 2007, Saturn said "yes" to this community cause initiative. It strengthened the Saturn brand and affected the bottom line. "A Different Kind of Car Company" required a different kind of approach. What drove the campaign? Brand values, the value to give back, serve and contribute to humanity.

Parrotino, Saturn's national sales promotion manager faced the challenge by answering this question: "what can we do to make the world better?" The answer was clear: contribute to building environmentally conscious homes for people, the kind of act people get behind, the kind of people that buy Saturns. The campaign launched by teaming up with the well-known non-profit Habitat for Humanity. Employees of the General Motors Saturn division (also known as the people who build Saturn's), volunteered their time building homes for a Colorado Springs community project facilitated through Habitat for Humanity. These efforts were well publicized, benefiting both organizations further humanizing the Saturn brand, which ultimately bridged a stronger emotional connection between Saturn's buying audience.



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Again, a much bigger reward than simply boosting sales. Saturn has managed to emotionally penetrate the car buying public through humanizing the brand, making it about the people who build the cars, rather than the cars themselves. (Core Saturn brand value) Habitat for Humanity also benefited from the efforts through subsequent fundraising strengthened through the national awareness. True to Saturn's repositioning strategy, they continue to own the market position as General Motors' most socially conscious brand.

Another example to consider is the highly successful execution of the multi-tiered cause marketing campaign, (Product) RED. Co-founded by Bobby Shriver and U2 front man Bono, (Product) RED joins with "iconic" brands to develop special RED versions of existing products (Apple iPods, Converse sneakers, etc). When the specialty-branded products are sold, a percentage of the profits are donated to The Global Fund to Fight AIDS. The campaign has already earned \$36 million for The Global Fund, with more and more companies signing up to "go RED" every day. Much of this success can be attributed to the shrewd business plan at the base of (Product) RED. Bono and Shriver's motivation wasn't to form a new charity, but to create a steady flow of cash from the private sector for an international cause. The only way to ensure a sustainable income from for-profit businesses was to make certain that they would receive direct financial benefit from (Product) RED sales. Choosing to sell already popular items with a "cause" attached guaranteed increased purchases for participating companies.

Instead of attempting to revolutionize the playing field of a consumer culture, Bono and Shriver are simply playing the game. Assuming that cause marketing will be successful, they are in essence creating a win-win situation wherein the consumer's emotional response results in a purchase that benefits both large corporations and The Global Fund. But what's made (Product) RED so successful amidst a sea of other cause marketing agencies is the masterful branding of the (Product) RED brand? With appealing (RED) logos and a traffic-stopping color scheme, a (RED) product is easily identifiable by the contemporary shopper as a symbol of smart, charitable, and trendy spending. The most well-known RED ad campaign is for GAP, which features celebrities wearing t-shirts with prints such as DESI (RED) and EMPOWE (RED).

Using cause marketing strategies to position, promote and associate a brand with a charitable cause for a common advantage is growing evermore popular. However great care and attention must be given to these efforts. As marketers, never forget the true value lies within building emotionally beneficial relationships with your customers, experiences that feel good, thus building equity in your brand over time. Priceless.