The present study examines potential influences associated with nature of product-cause fit and perceived product type on cause-related marketing (CRM) campaigns when consumers perceive promoted product as harmful. Two high-fit strategies are explored: complementary fit and consistent fit. Experimental results indicate that consumers may be more likely to choose a frivolous product offering a donation with a complementary-fit cause. In contrast, individuals tend to have stronger behavioral intention toward a practical product with a consistent-fit cause. The interaction effect between product/cause fit and product type is more significant when product price is low. The implications of the findings are discussed as well as limitations and directions for future research.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/14241/volumes/v36/NA-36

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Consumer Response to Harmful Products with Cause-Related Marketing: Influences of Product-Cause Fit and Product Type

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EXTENDED ABSTRACT

Partnering charitable causes with products has become a common practice for many marketing programs, referred to strategically cause-related marketing (CRM). CRM is one major philanthropic activity for a corporation to donate money to a charity each time a consumer makes a purchase. Sharing the business ethics and value of “paying back to society”, CRM has become popularly adopted by industries or companies which have brought about many of environmental problems (e.g., water and air pollution, land degradation, and chemical contamination, and transport) because of the manufactured products or production process.

Recent studies have begun to examine potential factors that might affect CRM effectiveness and how consumers respond to CRM initiatives. One important variable that has been identified to determine the success of CRM is the fit between a product and a cause. Although researchers agree that selecting the “right” cause is a key to a successful CRM strategy, little is known in terms of what constitutes a good fit and how the fit nature can moderate the CRM effectiveness. In the present study, two high-fit natures are explored: consistent fit (i.e., a cause and a product have consistent images or similar values) and complementary fit (i.e., a selected cause is used to improve the harmful image through a compensation act). This issue especially draws our attention in the circumstances that consumers already have inherent negative evaluations toward a product when they perceive it as harmful. The other factor investigated previously is product type. Hedonic products are motivated by the desire for sensual pleasure and utilitarian ones are provoked by a basic need. CRM is more likely to be effective in promoting hedonic products than utilitarian ones because of guilt feeling accompanied with the purchase. However, contingent effects of product type with harmful nature remains unexplored.

Using the context of harmful products, this research extends the concept of product-cause fit by exploring how consumer perceptions of fit nature affect attitudes toward the sponsoring company and behavioral intention in purchase situations with different product types (i.e., utilitarian or hedonic), and consequently determine whether product-cause fit and its nature are necessary criteria to influence CRM effectiveness. Hypotheses were drawn from attribution theory including non-common effects and argumentation versus discounting principle (Kelley, 1967; Kelley, 1973; Kelley and Michela, 1980). An experiment in a 3 (product-cause fit: consistent fit vs. complementary fit vs. low fit) X 2 (product type: utilitarian vs. hedonic) between-subjects design is developed to test the relative CRM effectiveness of advertisement messages to promote products that consumers perceive as harmful. Products containing plastic (including packaging) are used as harmful products. In order to eliminate the effects of product-selection bias, two products with different price levels were chosen for each type (hedonic vs. utilitarian) based on a pre-test. Therefore, 12 experimental versions were produced. Prior to the experiment, the treatment booklets were randomized. Participants were randomly assigned to one of the 12 conditions above.

After successful manipulation checks, a series of analysis of variance were conducted to examine proposed hypotheses. The main effect of fit was first examined to replicate previous results. Participants preferred the product with a high-fit cause to that with a low-fit cause. The research supports the common assertion that “fit” is important for successful CRM programs (Gupta and Pirsch, 2006; Hamlin and Wilson, 2004; Lafferty, 2007; Pracejus and Olsen, 2004; Trimble and Rifon, 2006). Participants tend to accept a product with a cause more easily when the cause is perceived as a high fit with the product image than as a low fit. Using the harmful product contexts, the experimental results are also analogous with recent works that the hedonic products bundled with a charity incentive are more effective than the utilitarian ones (Strahilevitz, 1999; Strahilevitz and Myer, 1998). More importantly, the present study raises concerns over the comprehensive understanding of “fit” and how it works. With a high-fit cause, the assessment of “fit nature” between a product and a cause may be an important consumer heuristic. Three observations are noteworthy.

First, when promoting a utilitarian product, the consistent fit between a product and a cause is more effective than the complementary fit. The results echo what previous research (e.g., Campbell and Kirmani, 2000; Szykman, 2004; Yoon et al., 2006) suggests that perceptions of a company’s profit opportunities as obvious can lead to positive attitudes to the product bundled with a cause. Such perceptions of consistency could be the common node that would be activated in an individual’s associative networks. Second, compared with the consistent fit, the complementary fit between a product and a cause is more effective when the charity incentive is associated with hedonic products. The purchase of hedonic products that have negative consequences on the environment may lead to dispositional blame. There is a motivation to alleviate the blame. Discovering that the manufacturer donates part of the profit from sales to an environment cause is consistent with this motivation and leads to increased behavioral intention to buy this product. With the purchase of utilitarian products that are environmentally harmful, the dispositional blame is diluted by the situational attribution that it is necessary to buy the product. Learning that part of the profit will go towards improving the environment is less consistent to consumers’ goal. Behavioral intention to purchase thus becomes lower. Third, the influences of fit nature are stronger when the price of the harmful product is low. A possible reason could be that high price of the item may be associated with the downbeat impression that the company exploits the cause and that consumers would be better off making a direct contribution to the non-profit than purchasing products on CRM (Gupta and Pirsch, 2006). The effects of fit nature are thus reduced because of criticism of this exploitation.

This article has theoretical and practical contributions to CRM, consumer purchase decision-making, and societal marketing practice. It is important to go beyond simple demonstrations of the effects of fit, and to clarify when a cause-related promotion of a harmful product is likely to be observed, reversed, or eliminated because of fit nature. Investigating impacts of fit nature is an important marketing and public policy issue because both complementarity and consistency are commonly used as good-faith attempts to promote the charity incentive. However, they may not be equivalent with respect to their ability to enhance CRM effectiveness when different product types are considered. In practice, marketers hence stand to gain not only by choosing the appropriate fit strategy for their advertised products but also by taking the perceived product type of the offered bundles into consideration to optimize the effectiveness of cause-related campaigns.
REFERENCES


