

Cause Related Marketing–A Qualitative Exploration of TATA Brand

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Abstract

In Dog-eat-Dog competition world, companies are making the sense of growth, market capturing & increase awareness about their products a challenging task for their management. To capture the market and profit maximization companies are going to be social for selling their products. Majorities of companies under public and private sectors in India have been successfully practicing (Corporate social responsibilities) CSR methodologies since last decades and providing support to the social needs, like child labor, child education, energy efficiency, water pollution, women empowerment, customer awareness, child welfare, health, hygiene, environmental issue like global warming, wildlife conservation, family bonding, patriotism etc. Cause Related Marketing (CRM) is a part of Corporate Social Responsibility (CSR) actions, as the newly carved out Company Law Act of 2013, 2 per cent of average net profit of last 3 years to be mandatorily spent on CSR by companies having net worth of 5 billion or more or turnover of 10 billion or more or net profit of 50 billion or more. In today's fiercely competitive business activities worldwide, every organization aspires to identify the products of their rivals company's product in order to replace them with their quality products and building their images. CRM plays a key role in business activates. Companies are utilizing it as an instrument in building brands, creating products awareness, revitalizing corporate values making corporate social responsibility and community involvement actively. Now a day's Companies are finding strategic points to furnish their Corporate Social Responsibility by using CRM. In this paper descriptive research methodology is used the main purpose of this paper is to make understanding about CRM and its impact on sales and brand loyalty and also to introduce TATA Company indulging in CRM activities.

Keywords: Cause related marketing, corporate social responsibility, brand image etc.

1. Introduction

Cause-Related Marketing has been defined as the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designed cause when customers engage in revenue-providing exchanges that satisfy organizational and personal objectives (Varadarajan and Menon, 1988). American Express Company launched a cause related marketing program to restore the statue of Liberty. The company promised to contribute one cent for every card transaction and \$1 for every new card issued during the last quarter of 1983. This resulted in a \$1.7 million contribution by American Express to the Statue of Liberty and increased 28% increase in the use of credit cards along with massive media coverage and free publicity. In current scenario Indian markets are characterized by products and services which are significantly competitive in nature with similar quality and prices. In order to differentiate themselves and create a more lasting impression on the consumer's mind, companies are turning to a concept called Cause Related Marketing which is an effective marketing communication tool to boost the sales volume of any company's product.

2. Literature Review

2.1 Cause-Related Marketing and concern: Definition

According to Cause-related marketing (CRM) Forum CRM is a commercial activity by which business and charities or causes form a partnership with each other to market an image, product or service for mutual benefits. Adkins (1999) defined cause -related marketing is a win: win: win scenario where the charity or cause and business win and indeed where the benefits also extend to consumers and other stakeholders. CRM is defined as an effective marketing tool for sustainable growth of the society and company. (Bajdor, P., & Brzezinski, S, 2013). It is found that organization may not be able to overcome negative consumer attitude by simply forming a CRM alliance, for this it needs a good attitude towards the firms, it makes little difference whether the charity has positive or negative consumer attitudes (Basil & Paul, 2006). Varadarajan & Menon, (1988) found that CRM creates a positive effect on corporate image and companies utilizing this as a marketing tool to increase the sales Volume. Sisodia, Maheshkar & Vyas, (2013) observe that CRM is responsible for the sales of product, brand image & described many benefits from this to the firms like it can attract the customer, create positive brand image, it can raise the fund for the social cause (Kotler & Lee, 2005). Kar & Dadhichi, (2011) have concluded in their research that there are so many advantages in CRM campaigns especially in social cause.

3. Research Objective

1. To understand the concept of cause-related marketing with CRM campaign of Tata brand.

4. Research Methodology-

In this paper qualitative research methodology is used to understand the concept of cause related marketing and its impact on sales and building brand image.

We have taken TATA BRAND indulging in CRM activities are as follows-

5. Tata Brand CRM Campaigns’-

5.1 Jaago Re Campaign

Tata Tea Beverages worked with Janaagraha on a voter-registration drive, with the campaign name “Jaago Re!” (“Wake Up”).

Following this, the company moved the campaign on to opposing corruption.

By Jaago Re! Campaign it engaging itself with societal issues, it tries to raise public awareness and consciousness about different causes like corruption, public voting etc. The campaign had a major focus on youth. The Idea of ‘Jaago Re!’ came in October 2007 to the agency Lowe Lintas, which meant “Every morning don’t just get up, wake up” (Har subah Sirf utomat- Jaago Re!). The slogan had a tremendous thrust on social awakening. It was trying to bring notice Causes like rampant corruption, improper road conditions, irresponsible political leaders, inactive role of the police, non-exercise of voting rights, etc. The campaign had several ads in different phases. The message was “If you are not casting your vote on Election Day, you are sleeping.” Election Ke Din agar aap vote nahi kar rahe ho, to the app so rahe ho). By this, the clear message sent to the public was that the day of election is not a holiday, but a day to exercise your constitutional right. This campaign was able to attract more than 6 lakh people to register for voting through the website. It introduces the power of 49 that means 49% of the total registered voter base are women. Yet, our democracy remains largely indifferent to women issues. By this they are motivating the women candidate. When the women of India make up 49% of the electoral base, their vote can change the country. (www.jaagore.com)

5.2 Tata salt: Desh ka namak

Tata is a popular brand and it diversified its brand into different sectors apart from the steel. Tata salt is a product of Tata brand salt, it is India’s first branded salt. The story of this Indian Brand is interesting because the brand came as bye product. TATA chemicals have their largest integrated chemical plant in Mithapur. The soda ash plant needed fresh water for their boilers for supplying water to their boilers, the company started purifying sea water & it created high quality salt as a byproduct in the process. This coincided with the government campaign with the support of UNICEF for promoting iodized salt since iodine deficiency was a serious issue haunting the children’s health. The market for packaged iodized salt in India is estimated to be

worth Rs. 21.7 billion, with Tata Salt commanding a sales share of Rs 3.74 billion or 17.3% of the market. This environment gave birth to one of the super brands in the Indian Market. TATA SALT campaign as in it directly emphasize that TATA NAMAK- DESH KO ARPAN, DESH KA NAMAK with the effective cause of diagnosed problem, as 10 paisa for every kg of TATA salt, spent for the undernourished child, child education program in partnership of CRY (child Relief & You).

By these campaigns TATA boost its sales, spread awareness about social cause and building brand image.

6. Conclusion

Cause-Related Marketing is a part of social initiatives; it is a relatively new area of study. It has an important role to play in building trust in the minds of the customers as in an emerging economy like India, where consumers are looking for functional products which lasts longer and where obsolescence is not a strong brand image becomes absolutely essential. From the CRM campaign TATA Company is realizing that they are doing something good for society welfare and making people aware of their activities. Every organization is doing something responsible in the society, different organizations have different tactics to attract their prospective customer in order to generate revenue and capture the market. There are so many factors which affect the CRM, some of them are customer loyalty, purchase intention, demographic factors etc. Thus cause related marketing have a great value for any giant company or organizations to design a strategy for effective marketing tool to build a strong brand image and enhancing their customer loyalty.

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