

An Analysis of Strategic Association: Cause Related Marketing through Fintech Platform

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ABSTRACT

Objectives: To understand customers' attitude towards the campaign “#Choose for Change” by P&G Shiksha and its association with Fintech Platform PayTM, a study was conducted in Hyderabad during October 2018.

Method: The study examines the subject by investigating demographic factors perception regarding the association. The rationales for this strategic association are explored through structured questionnaire and Chi-Square association.

Result: It was observed that majority (66.7%) of the young population aged 21 to 25 showed a positive attitude towards the cause for education by P&G. The males (70.7%) outnumbered the females (29.3%) with the intent to probably continue to purchase P&G brands however, the latter indicated a significant certainty with the same intent. Males displayed a substantial interest to be associated with the cause for it would provide them recognition and improve their social status. At 5% los, it was explored that the young population definitely were viewing the association of the Fintech Platform – PayTM with the cause – Shiksha by P&G, to be a good fit and very appropriate.

Conclusion: The present study has thrown light into the perception of different age groups and gender towards the cause for education – Shiksha by P&G and the association of Fintech platform PayTM with it. This provides scope to further investigate the potential of such associations.

Key Words: Cause Related Marketing, Fin-Tech Services, Strategic Association

INTRODUCTION

Marketing communication has seen a paradigm shift in its approach over the last few years with the unfathomable advancements in technology. With the underlying objective of marketing communication to persuade a consumer to make a purchase, technology driven communication has widened the approach by aligning the same objective for a cause. Cause based marketing was 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 designated cause when customers engage in revenue providing exchanges that satisfy organizational and individual objectives”¹.

Broadly, cause based marketing campaigns generate positive attitude toward the company and improve the likelihood of purchase of its products². In general, the cause based ad-campaigns become successful because consumers obtain twin benefits by participating in such campaigns: from consumption of the product and from the contentment derived after contributing to a cause³.

To achieve significant results from marketing communication, companies have begun utilizing technology platforms that support revenue engagements and quicker exchanges for large masses and especially difficult to reach consumers. Majority of companies in India too are associating with social causes across product categories and brands. For example, Procter & Gamble – India, supports the cause for education for underprivileged children through P&G Shiksha program which is central to the company's global philanthropy initiative – Live, Learn & Thrive. To engage vast majority of digitally connected customers, P&G Shiksha e-store is linked with the India's Fintech giant's E-tail PayTM Mall. PayTM Mall has a dedicated page for P&G Shiksha through which customers can get rewards which sets it apart from many other Fintech platforms. The unique association draws the attention to better understand how it impacts the perceptions of customers and the implications on the contribution to the cause for education for underprivileged children.

MATERIAL AND METHOD

Cause-Based Marketing Communication

Companies have started using cause-based marketing communication to gain from the beneficial effect generated by associating with diverse initiatives and by that earn goodwill through a particular cause⁴. Cause-based marketing communication is a powerful medium of promotion when a company desires building affirmative brand awareness⁵, which therefore increases companies' possibilities to gain long-term benefits, such as improved brand image⁶ and brand loyalty⁷. Research has proven how cause related marketing favourably influences buying behaviour by associating brands with different causes⁸. Consumers' intention to purchase surges when companies use cause-based marketing communication attached to their products⁹, and a positive relationship between cause-based marketing communication and sales was established by several researchers¹⁰.

Brand Association

Brands play a key informational role for customers. Low and Fullerton explored if customers were able to ascribe identities to various products through their brand names¹¹. It is proved that the prevailing perceptions about an existing brand influences the way customers evaluate the new product offering that is introduced to the market using the existing brand¹². Prior research has focussed on brand alliances and co-branding between nationwide brands¹³. In their study on strategic brand alliances Vaidyanathan and Aggarwal found that a store brand with a famously known brand was assessed much more emphatically¹⁴. Additionally, the information integration theory states that attitudes are shaped and transformed as people obtain, deduce, assess and then assimilate the information from the stimulus with prevalent beliefs. The more prominent the attitude towards a brand, the more probability that upon noticing signals linked with the brand the individual connects with that attitude¹⁵. Early research has demonstrated that attitudes are comparatively unchanging psychological measures¹⁶. Due to the constancy, it is certain that pre-existing attitudes drive the post-exposure

attitudes towards the associations of the brand. Hence, to investigate if attitude to the brand cascades and influences brand association with a certain cause becomes imperative.

Research Questions

The aim of this study is to contribute to an emerging research area in cause related marketing. As discussed earlier, there is a need to understand the brands' associations with social causes and its implications on the perceptions of the customers. Further, this would extend the understanding of how customers view cause and brand fit. Also, the factors influencing the perceptions need to be studied. The research problems identified are:

1. *What is the effect of cause-based marketing communication on customers' purchase intention, attitude to the campaign and brand?*
2. *How do the customers view the association of a cause with Fintech platform?*

To examine these questions, few hypotheses are developed as follows:

H1: Customers purchase intention will be positive after viewing the campaign.

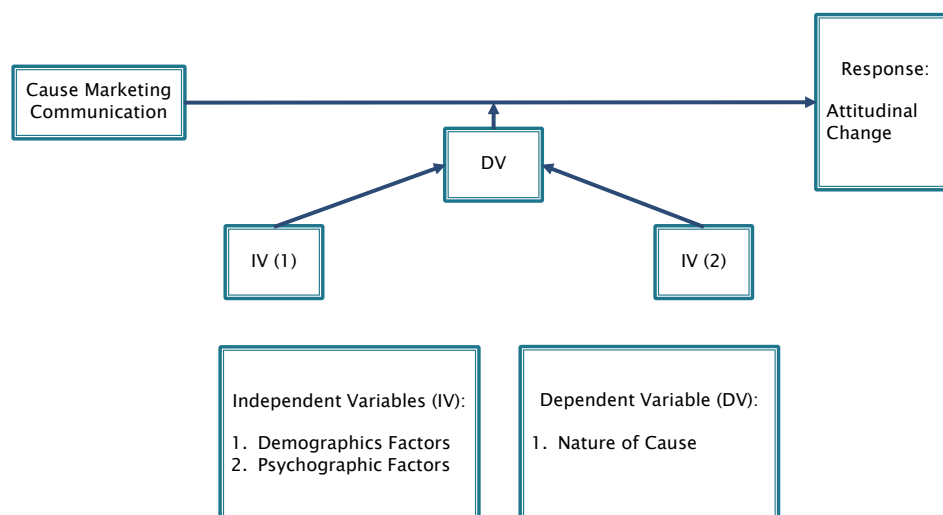
H2: Customers will have a positive attitude toward the campaign.

H3: Customers will view the brand-cause fit as perfect

H4: Customers beliefs have a direct impact on the brand-cause fit.

The constructs of interest are presented in the model below.

Proposed Conceptual Model



The identified research questions were studied using quantitative research. A structured questionnaire was designed and online survey was deployed to obtain responses from people in the age group of 21 and above, using convenience sampling. The respondents were exposed to stimuli relating to the cause – P&G Shiksha and its association with the brand PayTM. The survey was constructed using established scales. The data was analysed using Chi-Square association. The scope of the study is limited to Hyderabad due to time constraint. The study inspects the effect of cause-based marketing communication on a service platform. Hence, the conclusions cannot be extended to the products or

brands but will be limited to the implications of associations between cause and Fintech platforms only. The use of sample in the age group of 21 and above limits the generalizability of the findings to certain extent as the research study is cross-dimensionally examined.

RESULT

Attitude toward campaign and Demographic factors

Table 1 Attitude towards campaign and Age

Crosstab

Count

	V10						Total
	1	3	4	5	6	7	
1	0	0	6	24	40	29	99
V2 2	0	1	0	6	16	2	25
3	0	0	2	3	3	6	14
4	1	0	1	2	2	5	11
Total	1	1	9	35	61	42	149

Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	32.782 ^a	15	.005
Likelihood Ratio	26.390	15	.034
Linear-by-Linear Association	.791	1	.374
N of Valid Cases	149		

Table 1 indicates that there is a strong association between the age groups and attitude towards the campaign in terms of the campaign being good. Within the different age groups, we find that 21-25 year olds widely perceive the campaign to be good.

Table 2 Attitude towards campaign and Education

Crosstab

Count

	V10						Total
	1	3	4	5	6	7	
1	0	0	0	3	13	11	27
V3 2	0	1	8	30	48	30	117
3	1	0	1	2	0	1	5
Total	1	1	9	35	61	42	149

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	39.300 ^a	10	.000
Likelihood Ratio	20.699	10	.023
Linear-by-Linear Association	12.591	1	.000
N of Valid Cases	149		

Table 2 indicates that there is a high association between level of education and attitude toward the campaign being good. While post graduate degree holders shown significant association, bachelor's degree holders too perceive the campaign to be good.

Association of PayTM with Cause for Education by P&G and Demographics**Table 3 Association of PayTM with Cause for Education by P&G and Age****Crosstab**

Count

	V14							Total
	1	2	3	4	5	6	7	
1	0	0	6	16	25	34	18	99
V2 2	1	1	1	5	12	3	2	25
3	0	0	2	3	6	1	2	14
4	3	0	0	1	2	2	3	11
Total	4	1	9	25	45	40	25	149

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	49.274 ^a	18	.000
Likelihood Ratio	35.990	18	.007
Linear-by-Linear Association	7.509	1	.006
N of Valid Cases	149		

Table 3 indicates strong association between age group 21-25 and the brand-cause fit being a good fit for PayTM with the cause for education.

Table 4 Association of PayTM with Cause for Education by P&G and Education**Crosstab**

Count

		V14						Total	
		1	2	3	4	5	6		7
V3	1	0	0	2	3	7	11	4	27
	2	2	1	7	21	36	29	21	117
	3	2	0	0	1	2	0	0	5
Total		4	1	9	25	45	40	25	149

Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	33.177 ^a	12	.001
Likelihood Ratio	17.588	12	.129
Linear-by-Linear Association	5.449	1	.020
N of Valid Cases	149		

Table 4 indicates high association between post-graduate degree holders and the brand-cause fit being a good fit for PayTM with the cause for education.

Tables 3 and 4 demonstrate that 21-25 year old people and post-graduate degree holders highly perceive the brand-cause fit between PayTM and Cause for Education by P&G as a good fit.

Association of Personal Beliefs with Cause and Demographics**Table 5 Association of Personal Beliefs with Cause and Gender****Crosstab**

Count

		V28					Total
		1	2	3	4	5	
V1	1	16	16	25	39	10	106
	2	12	16	6	7	2	43
Total		28	32	31	46	12	149

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.041 ^a	4	.003
Likelihood Ratio	15.949	4	.003
Linear-by-Linear Association	11.626	1	.001
N of Valid Cases	149		

Table 5 demonstrates that majority of female do not engage with the cause to get recognition by others while majority of male have demonstrated to have high association for getting recognition by others.

Table 6 Associations between various variables.

Se.No	Variables	Hypothesis	LoS 5 %	Df	P	Accept/Reject
1	V1 * V13	There is a significant association between gender and probability of purchasing P&G products post exposure to the campaign.	5	4	0.001	Accept
2	V1 * V27	There is a significant association between gender and the belief to engage with a cause to gain social status.	5	4	0.010	Accept
3	V1 * V28	There is a significant association between gender and the belief to engage with a cause to gain recognition from others.	5	4	0.003	Accept
4	V2 * V10	There is a significant association between age and attitude toward the campaign being a good campaign.	5	15	0.005	Accept
5	V2 * V11	There is a significant association between age and attitude toward the campaign being an attractive campaign.	5	18	0.048	Accept
6	V2 * V12	There is a significant association between age and attitude toward the strongly agreeing to like the campaign.	5	12	0.043	Accept
7	V2 * V14	There is a significant association between age and perception about brand-cause fit to be a good fit.	5	18	0.000	Accept
8	V2 * V16	There is a significant association between age and perception about brand-cause fit to be a very appropriate.	5	18	0.020	Accept
9	V2 * V17	There is a significant association between age and attitude toward PayTM being good Fintech platform.	5	18	0.033	Accept
10	V2 * V20	There is a significant association between age and liking toward PayTM Fintech platform.	5	18	0.025	Accept
11	V2 * V27	There is a significant association between age and the belief to engage with a cause to gain social status.	5	12	0.021	Accept
12	V2 * V28	There is a significant association between age and the belief to engage with a cause to gain recognition from others.	5	12	0.020	Accept
13	V3 * V10	There is a significant association between education qualification and attitude toward the campaign being a good campaign.	5	10	0.000	Accept

Se.No	Variables	Hypothesis	LoS 5 %	Df	P	Accept/Reject
14	V3 * V11	There is a significant association between education qualification and attitude toward the campaign being an attractive campaign.	5	12	0.000	Accept
15	V3 * V12	There is a significant association between education qualification and attitude toward the campaign being an attractive campaign.	5	8	0.000	Accept
16	V3 * V14	There is a significant association between education qualification and perception about brand-cause fit to be a good fit.	5	12	0.001	Accept
17	V3 * V15	There is a significant association between education qualification and perception about brand-cause fit to be very logical.	5	12	0.002	Accept
18	V3 * V16	There is a significant association between education qualification and perception about brand-cause fit to be very appropriate.	5	12	0.000	Accept
19	V3 * V17	There is a significant association between education qualification and attitude toward PayTM being good Fintech platform.	5	12	0.000	Accept
20	V3 * V18	There is a significant association between education qualification and attitude toward PayTM being favourable.	5	12	0.002	Accept
21	V3 * V19	There is a significant association between education qualification and attitude toward PayTM being positive.	5	12	0.000	Accept
22	V3 * V20	There is a significant association between education qualification and liking toward PayTM Fintech platform.	5	12	0.000	Accept
23	V4 * V7	There is a significant association between income and loyalty to P&G brands.	5	4	0.010	Accept
24	V4 * V10	There is a significant association between income and attitude toward the campaign being a good campaign.	5	5	0.025	Accept
25	V4 * V25	There is a significant association between income and the belief to engage with a cause to aid those in need.	5	4	0.020	Accept
26	V4 * V26	There is a significant association between income and belief to engage with a cause since it enables to be kind to people that need support.	5	4	0.032	Accept

Table 6 is a demonstration of strong association between various variables and hence can be inferred that demographic factors have significant difference of associations towards cause related marketing campaign, brand-cause-fit and the beliefs driving perceptions.

DISCUSSION

Cause-based marketing communication is an emerging area of research for both academicians and practitioners. As discussed earlier demographic and psychological factors have a direct influence with respect to the nature of cause and thus resulting in attitude development towards brand-cause fit. Future research that provides extension to the results and disables the limitations is suggested. The study may be replicated on focused groups segmented by gender and age to draw attention to specific reasoning

and existing values and beliefs of such population to obtain clarity on the type of customers identifying associations and fitness of brand and cause. The findings from the research suggested that the brand-cause fit of Fintech platform and Cause for Education to be a good fit and logical, therefore, it provides the scope to conduct further in-depth analysis of such associations between Fintech Platforms and Cause related marketing.

CONCLUSION

The results suggest that customers have positive attitude towards the cause-based marketing campaign and show strong intentions towards purchasing of products that help them contribute to the Cause for Education for Underprivileged Children – Shiksha by P&G. Further, cause related marketing was able to generate positivity about the Fintech PayTM's association to the cause while showing a more favourable identity with PayTM and loyalty towards P&G brands. Largely, gender and age groups have proven to have a significant effect on perceptions driven through existing beliefs upon the brand-cause fit, and the underlying reason for engaging with a cause post the exposure to the marketing campaign.

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