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## **Abbreviations**

CM cause-related marketing

CSR corporate social responsibility
FMCG fast moving consumer goods

n.a. not applicable

NPO non-profit organization

POS point-of-sale
USD US Dollar

#### I Introduction

This section provides a general introduction to the topic of this thesis. First, a brief background is given to establish a foundational understanding of cause-related marketing. Thereafter follows a description of the problem that is central to this thesis. Consequently, the purpose of this thesis and subsequent research questions are outlined. Lastly, delimitations and contributions of the thesis as well as a list of definitions covering important key terms are provided.

## I.I Background

More than ever, consumers care about corporate social responsibility (CSR) (Nielsen, 2014). A total of 89% even indicate that they would switch to another brand that is associated with a good cause if price and quality were similar (Cone Communications, 2013). In a globalized market place, where traditional product attributes such as price and quality are no longer viewed as sufficient differentiators, consumers use a company's dedication towards society to differentiate multiple companies from one another (Aaker, 2005; Gupta & Pirsch, 2006). One approach that makes a company's dedication towards society perceivable for consumers is cause-related marketing (CM) (Beise-Zee, 2013).

Specifically, CM refers to a marketing campaign format whereby companies form alliances with charity or non-profit organizations (NPO) to support a designated cause. A donation is then made to the selected cause in response to every CM-labeled product sold to the customer. CM donations are traditionally funded by a company's marketing budget, yet the total amount donated depends on the customers' involvement with the campaign as it is linked to the actual quantity of designated CM-products purchased (Beise-Zee, 2013; Steckstor, 2012; Varadarajan & Menon, 1988). For instance, IKEA teamed up with UNICEF to benefit children through linking a monetary donation to the purchase of soft toys, while Procter & Gamble cooperated with UNICEF to fight newborn tetanus through its Pampers "1 Pack = 1 Vaccine" initiative (UNICEF, 2008; UNICEF, 2012).

Throughout the last years, CM has become a mainstream marketing tool that resonates well with consumers and thus, is currently used by many companies with investments having increased significantly: in 2014, North American companies spent USD 1.85 billion as compared to USD 120 million in 1990. An increase of 3.7% is further projected for 2015 (Cause Marketing Forum, 2015; Cone LLC., 2010; IEG LLC, 2015).

Without a doubt, consumers' positive disposition towards CM indicates that this campaign format provides benefits to the consumer, who is one of the main actors in CM. From the consumers' perspective, CM resonates with their demand for companies to take over social responsibility while among others also providing them with a convenient way to contribute to a charitable cause (Cone LLC., 2010; Daw, 2006; Langen, 2013; Nielsen, 2014).

Since sales for the companies are only generated and donations to the NPOs only provided once the consumer takes action, appealing to the consumer is crucial for a CM campaign's success (Beise-Zee, 2013; Steckstor, 2012). Therefore, understanding how consumers respond to CM is of key interest (Steckstor, 2012). Nielsen (2014, p. 3) agrees by advising companies 'to put consumers at the center and understand their expectations'.

On this behalf, research has focused on better understanding consumers to support marketers in excelling at the set-up of effective CM campaigns that resonate with their customers (Berglind & Nakata, 2005). For instance, the impact of individual factors such as *skepticism* (Alcañiz, Cáceres & Pérez, 2010) and different aspects associated with the set-up

of CM campaigns such as *company-cause fit* (Chéron, Kohlbacher & Kusuma, 2012; Nan & Heo, 2007), *cause proximity* (global versus local cause) (La Ferle, Kuber & Edwards, 2013; Landreth Grau & Garretson Folse, 2007) and *donation size* (Garretson Folse, Niedrich & Landreth Grau, 2010) have been investigated by scholars.

Regarding this consumer understanding, which is essential for setting up effective campaigns, marketers today are especially challenged by a new age cohort, the Millennials, who show distinct characteristics and mindsets that differ widely from other generations (Van den Bergh & Behrer, 2013). Often also called Generation Y, the term Millennials refers to those individuals born between 1981 and 2000 (Becker, 2012; United Nations, 2010). To date, general and particularly qualitative research in the field of CM that is exclusively dedicated to Millennials and takes into account their specific characteristics is missing. Thus, profound insights on Millennials' view and responses towards CM are lacking. However, due to their high purchasing power and strong influence on other generations, Millennials are shaping the market place and require companies to critically evaluate and rethink how they do business in order to best cater and respond to their needs (Cone Communications, 2013; Göschel, 2013; Maggioni, Montagnini & Sebastiani, 2013).

#### 1.2 Problem Definition

As previously discussed, appealing to the consumer is central to a campaign's success. It is understood that CM resonates well with consumers who are increasingly expecting companies to act as a good citizen (corporate citizenship), while at the same time providing benefits to the consumers (Beise-Zee, 2013; Daw, 2006; Langen, 2013; Nielsen, 2014).

Since CM is a successful and established campaign format, much attention has been paid to it by academia resulting in a substantial body of knowledge (Steckstor, 2012). Mainly on a quantitative and rather general level, previous research focused on identifying and measuring the attitudinal and behavioral outcomes based on different associated factors and their contribution towards the short- and long-term effectiveness of CM campaigns (Ellen, Mohr & Webb, 2000; Müller, Fries & Gedenk, 2014; Steckstor, 2012; Youn & Kim, 2008). However, as discussed previously, research has not particularly focused on the age cohort of Millennials and thus, does not take their distinctive characteristics and mindsets into account. Millennials are claimed to be civic-minded, while at the same time being convenience seeking and marketing savvy, knowing about the persuasive intent of advertising. This also makes them increasingly skeptical about brand claims (Cone Inc., 2006; MSL Group, 2014; Van den Bergh & Behrer, 2013). This new mindset presents a change in the market environment and challenges marketers to connect with this target group. The peculiarity and uniqueness of Millennials seem to require companies to adapt business and marketing practices in order to resonate with their distinct needs. Since the new age cohort differs to great extent from previous generations, it can consequently be inferred that previous research findings regarding CM may not fully apply to Millennials and it is therefore necessary to investigate their applicability to this age cohort.

Thus, the central problem of this thesis is the current lack of understanding of the extent to which Millennials' peculiar and unique characteristics require a different set-up, management and communication of CM that most effectively resonates with this audience.

## 1.3 Purpose and Research Questions

According to Hanna, Wozniak and Hanna (2013), objects, including products or advertisements, possess different physical characteristics (e.g. color or size) that are referred to as stimulus factors and elicit a distinct sensation in the perception process. Moreover, individual factors that refer to a person's unique qualities and characteristics influence the perception and processing of stimulus factors (Hanna et al., 2013). With regard to CM, previous research revealed different stimulus and individual factors that play a role in the effective set-up of CM campaigns. These include for example cause proximity, donation size, gender and skepticism (Alcañiz et al., 2010; Garretson Folse et al., 2010; La Ferle et al., 2013; Moosmayer & Fuljahn, 2010). A systematic literature review allows organizing the most relevant factors into three main categories: stimulus factors related to the donation, stimulus factors related to the cause and individual factors related to the consumer.

Derived from the problem definition, there is a need to better understand how Millennials view and respond to CM. Therefore, the purpose of this thesis is:

To explore Millennials' perception of CM by focusing on different stimulus factors associated with CM and individual factors related to the consumer.

On the one hand, looking at Millennials' perception serves to fill the current gap in research. On the other hand, perception is expedient to investigate since it includes the assessment of Millennials' individual interpretation of campaign stimuli and possible explanations. Understanding their perception is important as it guides their attitudinal and behavioral responses to CM campaigns (Solomon, Bamossy, Askegaard & Hogg, 2010).

To provide a holistic representation of Millennials' view on CM, most relevant factors from the three categories *stimulus factors related to the donation, stimulus factors related to the cause* and *individual factors related to the consumer* are consolidated into a single qualitative study and research questions consequently constitute as follows:

- 1. How do Millennials perceive the different stimulus factors related to the donation in CM?
- 2. How do Millennials perceive the different stimulus factors related to the cause in CM?
- 3. What individual factors influence Millennials' perception of CM?

#### 1.4 Delimitations

The aim of this thesis is to shed light on CM from a consumer's perspective. In particular, the thesis is centered around a qualitative exploration of how Millennials perceive selected stimulus factors associated with CM and the identification of what individual factors play a role in the perception process of Millennials. As opposed to previous research, this thesis does not systematically address attitudinal and behavioral responses towards CM and findings are mainly limited to the factors derived from the systematic literature review.

Moreover, by focusing on perception, an early stage in the decision-making process, the goal of this thesis is not to ascertain the one truth for the success of CM campaigns among Millennials but to provide a deeper understanding of how Millennials perceive CM and different associated factors. Nevertheless, as perception guides attitudes and behavior, this thesis can be considered a starting point to identify the most effective set-up, management and communication of CM for the specific Millennial audience.

#### 1.5 Contribution

Throughout the last decades academia has focused on studying consumers' attitudinal and behavioral responses towards CM. A systematic literature review, conducted in the context of this thesis, provides a status quo of the to-date research and encompasses a detailed overview on findings regarding distinct factors and their relevance in CM. Clearly, this overview serves academia as a basis for identifying further relevant study fields.

By assessing Millennials' perception of CM, this thesis further contributes towards a better understanding of this specific age cohort's perspective on CM and thus, allows for potential inferences regarding the applicability of prior research findings to this age cohort. In this sense, the thesis enriches the scientific body of knowledge in the area of CM through offering qualitative insights into the underlying thought processes and Millenials' specific interpretation of distinct stimulus factors.

Understanding how Millennials perceive different stimulus factors associated with CM (e.g. donation size, cause proximity) and what individual factors influence their perception also holds practical implications. Marketers could use thesis findings in combination with their experiences and expertise for an effective set-up, management and communication of CM campaigns that resonates with this age cohort.

## 1.6 Definition of Key Terms

Cause-related marketing: While being regarded as part of CSR, CM is defined as 'a promotional activity of an organization in which a societal or charitable cause is endorsed, commonly together with its products and services as a bundle or tie-in' (Beise-Zee, 2013, p. 321; Vanhamme, Lindgreen, Reast & van Popering, 2012). Thereby, companies form alliances with charity or non-profit organizations to support a designated cause. A specified monetary or product donation is made in response to every CM-labeled product sold to the customer (Varadarajan & Menon, 1988).

Corporate Social Responsibility (CSR): It is believed that companies today should not only be concerned about their economic performance but that they hold a responsibility towards society as a whole including stakeholders such as consumers, employees and the natural environment (Carroll, 2008). In this context, CSR is described as 'the direct attempt by companies to contribute to the betterment of society' (Waddock, 2008, p. 487).

Customer/consumer: A customer can be defined as the person purchasing a product or service without necessarily being the user thereof (WebFinance Inc., 2015a). On the contrary, the consumer is frequently referred to as the end user that actually consumes a product or service. Nevertheless, especially in retail settings, a consumer can be the buyer while at the same time being the end user of a product or service (Merriam-Webster Inc., 2015; WebFinance Inc., 2015b). In the context of this thesis, the two terms are used almost interchangeably as it can hypothesized that both the consumer and customer are targeted by CM campaigns.

Individual factors: "The qualities of people that influence their interpretation of an impulse' (Hanna et al., 2013, p. 87). In the context of this thesis, individual factors refer to Millennials' specific individual characteristics as well as their beliefs, experiences and mindsets (e.g. marketing savvy, skeptical or civic-minded).

Millennials: The term Millennials (or Generation Y) refers to a distinct age cohort of young consumers that share similar characteristics, experiences and beliefs (Bolton, Parasuraman,

Hoefnagels, Migchels, Kabadayi, Gruber, Loureiro & Solnet, 2013; Twenge & Campbell, 2008). While there is no definite delimitation of this age group regarding birth years, in the context of this thesis Millennials are referred to as those born between 1981 and 2000, which is in accordance with the definition of the United Nations (2010).

Stimulus factors: 'The physical characteristics of an object that produce physiological impulses in an individual' (Hanna et al., 2013, p. 87). In the context of this thesis, stimulus factors refer to those stimuli that are associated and emitted by CM campaigns (e.g. donation size or supported cause) and perceivable when being exposed to the same.

### 2 Theoretical Framework

This section presents relevant theories that are central to this thesis. First, insights about the Millennial age cohort are provided before discussing the perceptual process as the focal consumer behavior theory of this thesis. Lastly, the concept of CM is outlined and different associated factors that are relevant to understand and guide the set-up of primary data collection are discussed.

## 2.1 Millennials – A Distinct Age Cohort in Today's Market Place

In a market environment where market power is constantly migrating from companies towards the consumer, companies need to identify ways to best support consumers in achieving their personal goals and objectives and thus, give them good reason to chose one brand over another (Constantinides, 2008; Solomon et al., 2010; Szmigin, 2003). In this sense, companies must acquire profound consumer behavior knowledge to understand how their targeted consumers think, feel and behave to be able to best respond to their needs and thus, be successful in the long run (Constantinides, 2008; Solomon et al., 2010).

In this context, market segmentation and in particular segmentation according to age cohorts has become a common marketing practice (Meredith, Schewe & Karlovich, 2007; Parment, 2012). Involving the identification of homogenous segments, especially members of a distinct age cohort are born within a specific time period and share the same experiences and defining moments when growing up. This subsequently leads to similar values, preferences and consumer behavior among members of a distinct cohort that companies need to understand and consider in their marketing practices (Meredith & Schewe, 1994; Parment, 2012; Twenge & Campbell, 2008).

Particularly one age cohort has been growing in impact in today's market place and therefore elicits specific interest among managers and academia – the Millennial age cohort (Bolton et al., 2013). Being born between 1981 and 2000, this cohort of young consumers was influenced and shaped by various environmental and societal conditions when growing up, which will be contemplated in the following (Cone Communications, 2013; Parment, 2012; United Nations, 2010; Van den Bergh & Behrer, 2013).

#### 2.1.1 Shaping Conditions and Millennials' Characteristics

High technological development and constant access to the Internet makes Millennials technology-savvy. The Internet can be regarded as a source to unlimited information and to a wider, global network of people and social communities. Growing up with this resource, Millennials overall are more aware of news and world events and are thus more involved (Cone Inc., 2006; Parment, 2012). Moreover, the Internet creates a higher sense of empowerment as one can connect with likeminded people, share positive and negative experiences and if skeptical about something the Internet offers an easy way to 'dig beneath the surface' and find out detailed information (Cone Communications, 2013, p. 32; Van den Bergh & Behrer, 2013). Without a doubt, the digital revolution and in particular the Internet have enabled consumers to obtain wide ranging information about companies and to vigorously monitor corporate behavior (Constantinides, 2008; Szmigin, 2012). Research found that Millennials use the tools the Internet offers to a higher extent than members of other cohorts (Parment, 2012; Van den Bergh & Behrer, 2013).

A further aspect that shapes Millennials is the ever-increasing product choices consumers face in today's market place (Parment, 2012). Compared to other cohorts, Millennials are not stressed by the growing variety of products available, but appreciate the abundance of

choice and acknowledge that optimal decisions cannot be made. They strive for making fast and informed decisions with satisfactory outcomes. They prefer convenience and are keen on putting in only little effort to attain their objectives (Parment, 2012; Van den Bergh & Behrer, 2013). Millennials often use a heuristic-based decision-making approach whereby distinct cues are processed and used to lead to a decision (Viswanathan & Jain, 2013). In a market place with an abundance of choice, Millennials are well aware of the different brands available. Yet, as they like to experiment with different and new brands and are inclined to take advantage of good deals, they are likely to switch brands when they consider something a proper offer. Thus, Millennials are less likely to stick to one specific brand (Noble, Haytko & Phillips, 2009; Parment, 2012; Viswanathan & Jain, 2013).

Likewise, growing up in a commercialized world and being used to advertising clutter, Millennials are considered marketing savvy and 'difficult to wow' (Van den Bergh & Behrer, 2013, p. 7). They are aware of advertising's persuasive intent and consequently more skeptical. Advertising claims are seldom trusted and before making a choice, additional information is often retrieved from the Internet or one's social network. Deceptive marketing strategies are easily detected and frowned upon. Consequently, honesty and transparency are values that are much appreciated by Millennials in advertising (Van den Bergh & Behrer, 2013).

Moreover, Millennials' behavior is influenced by a shift towards a more individualistic lifestyle in which self-realization is greatly valued. Being raised in a highly competitive society, where focus is put on individual success, Millennials are eager to stand out by being special, unique and having their own opinions (Van den Bergh & Behrer, 2013). Though they are open minded and tolerant of other people's lifestyle, they lack empathy and are mostly focused on themselves. Consequently, they show a higher level of narcissism (Tulgan & Martin, 2001; Twenge & Campbell, 2008).

Lastly, Millennials are impacted by witnessing tragic and momentous world events like terrorism, natural disasters and the financial crises (Cone Inc., 2006). As they are well educated, globally connected and have access to the news and detailed information, they are well aware of the struggles others face. Simultaneously, in line with the pursuit of self-realization, they are aiming for a more meaningful existence (Van den Bergh & Behrer, 2013). By viewing themselves as civic-minded and active members of society, they feel it is their responsibility to make the world a better place (Cone Inc., 2006). Consequently, environmental and ethical issues increasingly come to the fore. Especially, travelling to other places to volunteer and support worthy causes is popular among this age group (Van den Bergh & Behrer, 2013).

#### 2.1.2 Millennials' Demand for Altruistic Behavior

Despite Millennials' awareness, general interest in altruistic actions and their desire to embrace change, they are critical regarding their own capabilities to make an actual impact. Having further lost trust in the government to drive this change, Millennials require companies to also take over social responsibility and are willing to reward those that are not solely focusing on their economic performance (Carroll, 2008; Cone Communications, 2013; MSL Group, 2014; Tulgan & Martin, 2001). In this sense, Millennials have especially high expectations regarding companies' CSR efforts, which can be defined as 'the direct attempt by companies to contribute to the betterment of society' (Waddock, 2008, p. 487). As CSR efforts are of increasing importance for Millennials, CM appears to be a promising way for companies to show goodwill and to connect with the Millennial age cohort (Peloza & Shang, 2011).

## 2.2 The Role of Perception in Consumer Behavior

For any company to be successful, it needs to provide value to their targeted consumers by resonating with their needs and wants (Kotler & Armstrong, 2011). On that account, Solomon et al. (2010, p. 8) claim 'understanding consumer behavior is good business' and thus, stress the importance of gathering knowledge about how 'individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs or desires' (Solomon et al., 2010, p. 6). The way consumers process and derive information from certain stimuli and in particular marketing stimuli (e.g. communicated/visible CSR efforts) guides decision-making (Kotler & Armstrong, 2011). In this sense, perception refers to 'the process by which stimuli are selected, organized or interpreted' (Solomon et al., 2010, p. 118). In other words, how input from a human's five senses is converted and used to understand the surrounding world (Blythe, 2013; Solomon et al., 2010).

In particular, perception can be seen as a key element to building consumer knowledge about products, brands and companies that greatly influences attitudes and ultimately purchase behavior (Blythe, 2013; Hoyer, MacInnis & Pieters, 2013). For marketers, who plan to do CM, it is therefore highly relevant to understand, which selected stimuli are noticed by consumers and how their individual beliefs, needs and experiences impact the attention and interpretation of the same in the perception process (Hanna et al., 2013; Solomon et al., 2010).

In the perception research domain, two distinctive approaches to explain how meaning is ascribed to stimuli and how perceptions are formed evolved: bottom-up and top-down processing (Hanna et al., 2013). In bottom-up processing, physical characteristics of an object such as color, smell or size are believed to guide perception. As such, perception derives from the totality of all physical stimulus factors of an object put into relation (Gibson, 1966; Hanna et al., 2013). For instance, a person shopping at a furniture store will notice a candle that holds certain physical characteristics such as a specific smell, shape, color or size. Derived from these stimulus factors, the consumer will form a perception, which guides attitude and overall disposition to buy the candle. In contrast, in the topdown processing approach high importance is ascribed to individual factors such as a person's needs, experiences, beliefs or values. Going beyond the simple interpretation of physical stimulus factors, individuals ascribe meaning to stimuli based on their prior knowledge or schemata. This makes perception a more dynamic process that not only depends on an objects stimulus factors but also on an individual's characteristics (Gregory, 1970; Hanna et al., 2013). For instance, when looking for new running shoes a person might visually perceive the functionality differently for two mainly identical products. This can be attributed to a consumer making perceptual inferences about products, brands or companies based on previous positive or negative experiences, termed the halo effect (Blythe, 2013; Hanna et al., 2013). Moreover, associations, assumptions and beliefs about a concept (e.g. product or person) are organized and linked into networks or schemata (e.g. product category or self-schema) that guide the consumer in the perception process. One stimulus such as the logo of a brand in an advertisement can activate a schema and result in consumers retrieving various associations such as "expensive" or "American" that trigger further schemata (Bruner, 1957; Hoyer et al., 2013; Solomon et al., 2010).

While no one stimulus is equal to the characteristics of another, especially individual factors influence processing and interpretation of stimuli in perception. Current needs such as hunger during a grocery shopping trip, beliefs about and prior experiences with a product or expectations for the future all influence a consumer's processing and interpretation of stimuli (Hanna et al., 2013). Moreover, relatively stable consumer characteristics such as

age, lifestyle, educational level, mental sets, roles or personality elicit differences in the perception process (Blythe, 2013). In conclusion, while it can be argued that perception is a highly individual process, especially target groups or age cohorts share common characteristics including their interests, mind sets and experiences, which should lead to somewhat similar perceptions.

## 2.3 Cause-related Marketing

As previously discussed, Millennials increasingly expect companies to act beyond their commercial interest and demand them to embrace corporate social responsibility (MSL Group, 2014; Nielsen, 2014; Steckstor, 2012). CM can be regarded as one approach for a company to express CSR and to clearly communicate efforts taken, thus making the company's engagement perceivable to consumers (Berglind & Nakata, 2005; Cone Communications, 2013).

## 2.3.1 What is Cause-related Marketing?

Various authors cite Varadarajan and Menon (1988, p. 60), who refer to CM 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' (Vanhamme et al., 2012). Other authors further describe CM as 'a promotional activity of an organization in which a societal or charitable cause is endorsed, commonly together with its products and services as a bundle or tie-in' (Beise-Zee, 2013).

CM campaigns differ from other corporate social initiatives as the total amount of contribution to a cause is directly linked to a consumer's purchase of a specified product and depends on a rather formal agreement, tracking and measurement system with NPOs (Kotler & Lee, 2005). Moreover, CM is generally carried out in form of a time-limited, promotional campaign for mainly fast moving consumer goods (FMCG). The activities are traditionally funded by a company's marketing budget (Beise-Zee, 2013; Kotler & Lee, 2005; Vanhamme et al., 2012). However, there are authors such as Cui, Trent, Sullivan and Matiru (2003) claiming that CM (and being associated with a cause) matures from a mainly short-term, promotional campaign format into a long-term marketing strategy. In a highly globalized market place, where product attributes such as price or quality are not viewed as sufficient differentiators, companies make use of CM to position and differentiate themselves from an ever-increasing number of competitors (Aaker, 2005; Gupta & Pirsch, 2006).

Representing a specific form of CSR, various companies today use CM to communicate their goodwill to a potentially large target audience (Beise-Zee, 2013; Steckstor, 2012). While for them commercial interests are at the forefront, other short- and long-term benefits are associated with CM and from the different stakeholders' perspectives making it a win-win-win campaign format for companies, NPOs and consumers alike (Berglind & Nakata, 2005).

#### 2.3.2 Stakeholders and Their Interest in Cause-related Marketing

Mainly, there are three stakeholders involved in CM that have different motivations and interests to partake in and simultaneously benefit from CM – companies, NPOs and consumers.



Figure 1: Stakeholders in CM

Companies: With consumers demanding companies to incorporate their values into business practices and therefore expecting them to engage in CSR efforts, Petronzio (2015, n.a.) reinforces that 'if your brand doesn't support social causes, it's missing out on a huge audience' (Cone Inc., 2006; MSL Group, 2014). CM allows for initiatives that align the societal and commercial interest of a company (Beise-Zee, 2013). In this sense, through raising awareness, funds and support for a social cause, companies can show that they are good citizens (corporate citizenship), while they are simultaneously provided with other marketing related benefits (Berglind & Nakata, 2005; Docherty & Hibbert, 2003; Nielsen, 2014).

Compared to other marketing efforts, CM offers companies an efficient way to increase sales since only little or even no additional expenditures in form of alterations in operation processes are required (Berglind & Nakata, 2005; Nielsen, 2014). Besides direct financial benefits, among others Nan and Heo (2007) postulate that consumers respond more positively towards advertisements loaded with CM messages. Consequently, companies associated with good causes are said to benefit from more favorable brand and company attitudes and generally higher customer loyalty in the long term (Beise-Zee, 2013). Moreover, awareness for a product or brand can be increased, while at the same time CM serves to strategically develop a brand's identity and improve a brand's and company's public reputation. This clearly allows companies to gain strategic differentiation and advantage in a highly competitive market environment (Berglind & Nakata, 2005; Docherty & Hibbert, 2003).

Non-profit organizations: NPOs are in constant need to increase financial resources to cater the elevated public demand for social services and to improve social welfare. At the same time, they are confronted with a steady decrease of governmental support and investments into NPOs. As such, CM campaigns tap into the financial needs of NPOs by creating noteworthy funds (Docherty & Hibbert, 2003; Du, Hou & Huang, 2008). Moreover, the greater marketing expertise and budgets of the for-profit alliance partner help to augment visibility, exposure and awareness for the NPO and the cause (Berglind & Nakata, 2005; Lichtenstein, Drumwright & Braig, 2004). In this sense, NPOs profit from the established and profound communication and distribution networks of their alliance partner. The publicity increases awareness for the cause and consequently, helps to attract new supporters and to increase volunteering numbers (Docherty & Hibbert, 2003). Therefore, in addition to direct financial gains, other important resources such as professional skills or distribution networks can be obtained that profit the NPO in the long run.

Consumers: Previous scholars on CM identified a number of reasons explaining why CM resonates well with consumers. While some of those reasons might also hold true for Millennials it needs to be considered that Millennials constitute a unique age cohort that shows distinct characteristics and consequently their views and responses towards CM might differ.

Studying consumers in general, authors identified CM as a convenient way for these consumers to give and thus, to put their civic-mindedness into practice (Daw, 2006; Langen, 2013). Since contributions are effected by the simple purchase of a habitual product, CM is considered an easy way for consumers to contribute to charitable causes without having to put in extra financial resources or additional transaction efforts (Beise-Zee, 2013; Steckstor, 2012). Besides having a personal gain from the acquisition of the product, previous research indicates that consumers under study experienced an intrinsic benefit in form of feeling good about having supported a worthy cause (Strahilevitz & Myers, 1998). Scholars further found that especially in cases in which these consumers 'feel compelled to give something back to the community in order to justify their purchases' related to consumption of pleasure-oriented products, consumers use CM and the ascribed 'warm glow derived from charitable giving' to compensate their guilt (Du et al., 2008, p. 96; Strahilevitz & Myers, 1998, p. 436; Webb & Mohr, 1998). Additionally, CM-labeled products can provide extrinsic value to consumers as the purchase can potentially be used to express to others that one is socially conscious (Peloza & Shang, 2011).

Whether CM resonates with a convenience seeking, civic-minded Millennial age cohort that shows a high level of narcissism and eagerness to stand out needs to be investigated (Tulgan & Martin, 2001; Van den Bergh & Behrer, 2013). Only then can it be ascertained whether previous findings still apply or what adjustments might be needed so CM remains a win-win-win concept for all stakeholders involved.

## 2.3.3 Key Factors in Cause-related Marketing Research

To understand how Millennials view and respond to CM, it needs to be considered that a myriad of factors affects how consumers perceive CM efforts (Langen, 2013). Among these are stimulus factors, relating to physical characteristics of the CM-labeled product or corresponding advertisement and individual factors that refer to an individual's peculiar qualities (Hanna et al., 2013). A systematic literature review of a total of 33 scientific articles representing previous studies in the field was undertaken to identify specific factors that influence consumers' perception of CM. Subsequently, a total of thirteen important factors was identified. In line with Hanna et al. (2013), the factors can be categorized into stimulus and individual factors. To provide further structure, stimulus factors can be ascribed to the subcategories *cause* and *donation*. Figure 2 illustrates the factors derived from the systematic literature review in a structured and simplified way.

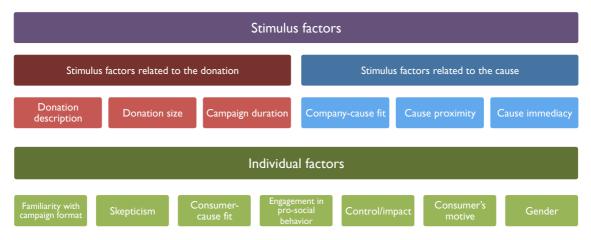


Figure 2: Categorization of factors influencing CM perception

In the next sections, each factor is briefly defined and previous findings regarding their impact on attitude and purchase intention are summarized. A detailed table with findings from all analyzed studies is provided in Appendix 1.

#### 2.3.3.1 Stimulus Factors Related to the Donation

There are three donation specific stimulus factors, which could be identified through the literature review: *donation description, donation size* and *campaign duration*.

Donation description Donation description refers to the message framing regarding the CM donation. Three different aspects can be considered:

- 1. Donation indication: The donation can either be expressed in an absolute monetary amount or in form of a percentage that will be donated. The latter makes the donation amount less clear for the consumer since a mental accounting process needs to be triggered. A donation indication in percentage is viewed as more pleasant, but an indication in absolute monetary value was found to lead to higher purchase intention (Baghi, Rubaltelli & Tedeschi, 2010; Chang, 2008).
- 2. Donation type: There are two types of donations. It can either be of monetary value (absolute amount or a percentage) or in form of a product donation (e.g. a vaccination). Sometimes a combination of both is used in the donation description (e.g. one vaccination worth two cents). Product donations are perceived to require higher company effort and thus lead to more positive brand and campaign attitudes. Purchase intention for non-monetary framed CM-products is generally also higher (Ellen et al., 2000; Müller et al., 2014).
- 3. Preciseness of donation amount: The donation description can differ in terms of preciseness from vague to precise descriptions. A vague description example is the statement that "a portion" of the sales will be donated. In this case, consumers tend to overestimate the amount donated (Olsen, Pracejus & Brown, 2003; Pracejus, Olsen & Brown, 2003). A more precise, but still vague description is to state that a specific percentage of the profit is donated. In this case the amount donated is only estimable for the consumer, since information regarding the profit of a product is often lacking (Olsen et al., 2003). A precise description indicates either an absolute or a calculable amount (absolute monetary value or a specific percentage of the sales), allowing the consumer to assess the exact amount donated (Landreth Grau, Garretson & Pirsch, 2007; Olsen et al., 2003; Pracejus et al., 2003, p. 20). Absolute or calculable amounts reduce skepticism and lead to more positive evaluations of CM campaigns (Kim & Lee, 2009; Webb & Mohr, 1998).

Overall, the *donation description* is clearly linked to contribution transparency vis-à-vis the consumer (Olsen et al., 2003). Consumers, especially those that are well educated, have a high need for transparency. They request tangible information that allows them to process the exact donation that is contributed to the cause (Kim & Lee, 2009; Landreth Grau et al., 2007; Langen, Grebitus & Hartmann, 2010).

Donation size

Donation size refers to the donation magnitude that is contributed through every CM purchase. Magnitude may vary from low to high amounts. The literature review revealed that donation size not only

influences consumers' attitudes toward CM and their purchase intention but it also mediates a consumer's perceived motive of a company to engage in CM (Koschate-Fischer,

Stefan & Hoyer, 2012; Moosmayer & Fuljahn, 2010). Research findings show that higher donation size leads to more positive attitudes towards a CM campaign (Moosmayer & Fuljahn, 2010; Müller et al., 2014). Moreover, consumers generally request higher donation sizes for CM campaigns (Langen et al., 2010). In conclusion, higher donation size can reduce consumer skepticism and positively impact consumers' CM campaign attitudes.

Campaign duration

Campaign duration refers to the length or frequency of support triggered through CM campaigns (Cui et al., 2003). It was found that consumers' purchase intention is not impacted by the campaign duration. Longer

campaign duration or repeated CM support of the same cause over time lead to more positive attitudes and positively influence a consumer's perceived motive of the company to engage in CM (Chéron et al., 2012; Cui et al., 2003). In conclusion, higher commitment of a company is perceived when campaign duration is longer or the activity is repeated. This leads to more positive consumer attitudes. Yet, campaign duration does not seem a relevant factor for product consideration at the point-of-sale (POS).

#### 2.3.3.2 Stimulus Factors Related to the Cause

The literature review revealed three specific stimulus factors that link to the cause supported through the CM campaign: *company-cause fit, cause proximity* and *cause immediacy*.

Company-cause fit

Company-cause fit can be understood as the 'overall perceived relatedness of the brand and the cause' (Nan & Heo, 2007, p. 72). It can be assessed by viewing whether the organizational purposes complement

one another and if the partnership 'make[s] sense' to the consumer (Basil & Herr, 2006, p. 394; Chéron et al., 2012). Authors consistently found that a high *company-cause fit* results in more positive consumer responses (Basil & Herr, 2006; Gupta & Pirsch, 2006; Lafferty, Goldsmith & Hult, 2004; Nan & Heo, 2007). However, Ellen et al. (2000) found that an incongruent *company-cause fit* is frequently perceived as more altruistic and consequently influences consumers' attitudes positively. Despite these contradictory findings, authors in the field agree that the *company-cause fit* moderates a consumer's perceived motive for the company to engage in CM (Barone, Norman & Miyazaki, 2007; Chéron et al., 2012;). In summary, *company-cause fit* mediates how consumers view and respond to CM. Generally a high *company-cause fit* is perceived as more favorable.

Cause proximity

Cause proximity relates to the physical distance between the supported cause and consumer. It is differentiated between local/national and international/global causes (Landreth Grau & Garretson Folse, 2007).

While authors agree that the support of a local/national cause leads to higher purchase intent, they disagree on the effect that *cause proximity* has on consumers' attitudes towards the respective CM campaign (Landreth Grau & Garretson Folse, 2007; Ross, Stutts & Patterson, 1991). Whereas some authors found that *cause proximity* often does not impact consumers' attitude towards a CM campaign (Cui et al., 2003; La Ferle et al., 2013), Landreth Grau and Garretson Folse (2007) found that the support of a local cause results in significantly better attitudes towards the CM campaign.

Cause immediacy

Cause immediacy takes into account if a recent cause or an ongoing cause is supported (Ellen et al., 2000; Vanhamme et al., 2012). Overall, findings show that CM campaigns supporting recent causes are more

likely to be supported and attitudes towards such campaigns are better (Cui et al., 2003; Ellen et al., 2000; Ross et al., 1991; Vanhamme et al., 2012). Therefore, supporting an immediate cause can be an effective tactic that is positively viewed by the consumer.

#### 2.3.3.3 Individual Factors Related to the Consumer

In addition to stimulus factors associated with CM, also individual factors impact how consumers view CM. The systematic literature review revealed that psychographic factors are the main individual factors studied previously. To some extent, these link back to Millennials distinct characteristics identified previously in section 2.1.1. Specifically, seven individual factors are taken into account for this thesis' research. These are familiarity with campaign format, skepticism, consumer-cause fit, engagement in pro-social behavior, control and impact, consumer's motives and gender.

Familiarity with campaign format refers to a consumer's knowledge of and acquaintance with CM. It also considers a consumer's awareness of the persuasive intent of CM. If the campaign format is rather novel to a consumer and knowledge about the persuasive intent of CM campaigns is limited, attitudes towards CM campaigns are more positive. CM and marketing savvy consumers who are highly familiar with the campaign format are likely to be more skeptical and evaluate CM less positively (La Ferle et al., 2013). In contrast, Anuar and Mohamad (2012) state that familiarity with the campaign format may also reduce skepticism as consumers may learn about the concept of CM and may consequently develop a higher sense of trust into this campaign format. Consequently, familiarity with the CM campaign format can but not necessarily causes consumers to be more skeptical and thus, evaluate CM less positively.

A broad definition of consumer skepticism is offered by Obermiller and Skepticism Spangenberg (1998), who define it as 'the general tendency toward disbelief of advertising claims' (p. 160). In the context of CM, skepticism not only refers to consumers' level of trust (e.g. if a company actually donates the specified amount) but also relates to how consumers perceive a company's motives to engage in CM (either cause beneficial or cause exploitive) (Barone, Miyazaki & Taylor, 2000; Webb & Mohr, 1998). In this sense, cause supportive perceptions are linked to associated altruism. Youn and Kim (2008) found that consumers with a generally high level of trust tend to question a company's motives less and belief in the altruistic motives of a company. Scholars argue that a low level of consumer skepticism and perceived cause supportive motives lead to more favorable attitudes towards CM campaigns (Anuar & Mohamad, 2012; La Ferle et al., 2013; Myers, Kwon & Forsythe 2012; Webb & Mohr, 1998;). Purchase intention is also positively impacted by low skepticism (Barone et al., 2000; Webb & Mohr, 1998). Finally, the different studies reveal that a consumer's level of skepticism is mediated by several factors. For instance campaign duration, specifically longer durations or repeated support, positively influence how a consumer perceives the company's motive for CM engagement. The same applies when company-cause fit is high (Chéron et al., 2012). Regarding the donation description and donation size it was found that exact amounts are most trustworthy and consequently reduce skepticism. Further larger donation amounts contribute to higher perceived altruism and lower skepticism (Kim & Lee 2009; Landreth Grau et al., 2007; Webb & Mohr, 1998). In summary, how consumers view and respond to CM depends on their level of skepticism, which is mediated through different cause and donation related factors.

Consumer-cause fit refers to the level of a consumer's personal identification with or perceived relevancy of the cause supported by the CM campaign (Gupta & Pirsch, 2006; Landreth Grau & Garretson Folse, 2007). It therefore 'implies that a consumer feels a psychological connection to a cause' (Vanhamme et al., 2012, p. 262). It was found that high consumer-cause fit leads to more positive attitudes towards a CM campaign and higher purchase intentions (Gupta & Pirsch, 2006; Landreth Grau & Garretson Folse, 2007). Vanhamme et al. (2012) found that identification with a

cause may also be influenced by other stimulus factors in CM. For instance, local causes (cause proximity) and recent causes (cause immediacy) provoke better identification with a cause. Consequently, consumer-cause fit is mediated through other stimulus factors. Yet, it also greatly impacts how consumers view and respond to CM. Identification with a cause leads to overall more positive outlooks on CM.

Engagement in pro-social behavior Engagement in pro-social behavior relates to the extent to which an individual takes philanthropic actions, such as volunteering or donating to a cause on one's own initiative (Chéron et al., 2012). Consumers who indicate higher

levels of *engagement in pro-social behavior* have more positive attitudes towards CM and further indicate higher purchase intention for CM-labeled products (Chéron et al., 2012; Cui et al., 2003; Youn and Kim, 2008). Therefore, it appears that CM is another relevant option to "do good" especially for already socially engaged consumers.

Control/impact

Control/impact concerns an individual's belief in whether one's own actions are assumed to lead to a predicted outcome. It was found that those, who are less confident about personally being able to enforce change, are in

higher favor of CM as they count on a company's power to enforce change (Youn & Kim, 2008). Thus, CM seems to present a relevant concept for those that ascribe little *control* or *impact* to their self-initiated and self-dependent actions.

Consumer's motive

Consumer's motive relates to a consumer's underlying motivations to engage in CM activities. Acting upon one's civic-mindedness, keenness to better society and altruistic motives relate to rather intrinsically driven motives

that result in a warm-glow feeling that comes along with helping others. On the contrary, extrinsically driven motives, such as gaining a feeling of prestige or other desired impression that others perceive when seeing that one has engaged in doing something good, were identified to guide consumers' behavior. It was found that consumers with high level of either intrinsically driven and/or extrinsically driven motives indicate more positive attitudes towards CM. Especially, those showing a high level of intrinsically driven motives also indicated a higher willingness to pay for CM-labeled products (Koschate-Fischer et al., 2012; Youn & Kim 2008). Subsequently, CM resonates better with consumers, who are highly intrinsically and/or extrinsically motivated.

Gender

Studies with regard to *gender* and CM found that women are more receptive for CM activities than men. They hold more favorable attitudes towards the campaign format and also indicate higher purchase intention (Chéron et al.,

2012; Moosmayer & Fuljahn, 2010). Yet, it was also found that women are stricter in the evaluation of a company's motive to engage in CM (Chéron et al., 2012). Moreover, especially *donation size* seems to be of higher relevance to women than to men in evaluating CM (Moosmayer & Fuljahn, 2010). Subsequently, gender appears to be an individual characteristic that impacts the response to CM and can mediate stimulus factors.

## 3 Methodology and Method

The methodology chosen to approach the research questions is presented in this section. First, the underlying research perspective and approach is discussed. Moreover, the selected research strategy and design are delineated. This is followed by an outline of the method chosen for primary data collection as well as information on the data analysis process. The last part of this section illustrates how trustworthiness is ensured, adding credibility to the thesis results.

## 3.1 Research Perspective and Approach

While there is a variety of philosophical perspectives that guide how specific knowledge is generated, adopting interpretivism allowed for respecting and taking into account the richness and complexity of the phenomena under study. In contrast to positivism, which considers the one reality to be 'out there' and views participants as simple measurement objects to be studied, importance was ascribed to social actors as being the constructers of reality and their differing roles, characteristics and mindsets to lead to distinct and subjective interpretations of CM campaign stimuli (Malhotra & Birks, 2007, p. 158; Saunders, Lewis & Thornhill, 2012). Supported by Morrison, Haley, Bartel Sheehan and Taylor (2002, p. 20), who reason 'that meaning arises from within a person' rather than lying within an object, the interpretivist perspective adopted for this thesis incorporated that reality is dynamically evolving and multiple and not reducible to law-like generalizations (Malhotra & Birks, 2007). Especially in the context of this thesis, assessing the perception of Millennials was to result in knowledge about the subjective interpretation of CM stimulus factors and the interrelation with individual factors of these actors. Whereas previous research in the field of CM was focused on assessing consumers' responses to CM stimuli in a quantitative way, the consumer-centric perspective adopted for this thesis allowed to go beyond the effect and provided insights into the mental processes and underlying, manifold and subjective reasons for perceptions of CM stimulus (Malhotra & Birks, 2007).

To benefit from the existing body of knowledge and to take into account specific insights gained through primary data collection, an abductive research approach was selected (Dubois & Gadde, 2002). Instead of deducing hypotheses from well-developed theories and testing to confirm or reject these (deduction) or starting from scratch and producing new theories from primary data collection (induction), abduction allowed for making new discoveries in a logical and ordered way (Malhotra & Birks, 2007; Reichertz, 2009; Saunders et al., 2012). Central to the abductive approach was the use of a theoretical framework that served as a starting point. Specifically, the theoretical framework comprised the perception process and findings from a systematic literature review undertaken to select important stimulus and individual factors. Moreover an overview on Millennials' characteristics potentially affecting responses towards CM was provided. Ideas presented in the theoretical framework not only guided data collection and analysis but also were further developed and adapted according to new insights gained to arrive at a preliminary model of CM perception factors (Dubois & Gadde, 2002; Malhotra & Birks, 2007).

To provide the needed data richness to understand Millennials' view on CM, a qualitative approach was adopted. Since perception is a highly complex phenomenon, a qualitative and in-depth approach was suitable as it allowed uncovering subconscious feelings and mental processes. While previous research had missed out on qualitatively assessing consumers' views on CM and in particular that of the age cohort of Millennials, thesis results served to

interpret and explain previous quantitative findings to some extent (Malhotra & Birks, 2007).

It needs to be borne in mind that the richness of information attainable through an interpretivist perspective and in particular, a qualitative approach suffices a smaller number of cases than deductive, quantitative approaches. Clearly, generalizability to an entire population is neither feasible (lack of large-scale, representative samples) nor in accordance with the interpretivist's description of reality as being multiple (Saunders et al., 2012). However, considering that members of one age cohort show similar characteristics, experiences and mindsets, the thesis provides overall insights on Millennials' perception that marketers can use in combination with their experiences and knowledge derived from previous studies.

## 3.2 Research Strategy and Design

Mainly on a quantitative and rather general level, previous research focused on identifying and measuring the attitudinal and behavioral responses to different associated factors and their contribution towards the short- and long-term effectiveness of CM campaigns. Since previous research was lacking in the particular field of Millennials' perception of CM, this thesis is exploratory in its nature to provide deeper insights (Saunders et al., 2012). Especially, making the perception of different stimulus factors and what individual factors of Millennials influence this perception central to a qualitative study, presents a seldom-studied perspective in this field.

To obtain the information needed to answer the specific research questions and to attain the purpose, a consequent process considering both primary and secondary data was adopted (Malhotra & Birks, 2007). Firstly, secondary data was assessed to establish a competent knowledge on the age cohort under investigation, to introduce the specifics of the campaign format CM and the perception process reflecting the underlying consumer behavior theory (Saunders et al., 2012). Additionally, a systematic literature review was conducted to consolidate previously studied stimulus and individual factors that would serve as a guiding framework for the set-up of the primary data collection. Since rich information and insights are required when studying consumer perception, semi-structured face-to-face interviews were selected as the main method for primary data collection. Findings were then organized and interpreted in the light of pre-existing theory including stimulus and individual factors that resulted from the systematic literature review. Finally, findings were integrated into existing research of most relevant authors and used to further develop the existing knowledge (Malhotra & Birks, 2007).

#### 3.3 Data Collection

A detailed description of secondary and primary data collection in the context of this thesis is presented in the following. This includes a description of the systematic literature review and the set-up of the primary data collection including participant selection and interview set-up.

#### 3.3.1 Systematic Literature Review on Cause-related Marketing

The overall goal of the systematic literature review was to identify most relevant stimulus and individual factors in CM that guided subsequent primary data collection and analysis (Saunders et al., 2012). In order to systematically identify key factors in CM, a general assessment of existing research was initiated through the search for items concerning CM in the online library of the Jönköping University and the bibliographic database Scopus.

The search for the term "cause-related marketing" resulted in 378 and 214 items respectively. The variation in search results could be attributed to the more exclusive scope of the bibliographic database Scopus, which only covers scientific journal articles.

Clearly, it was neither the objective nor feasible to assess every single item in the systematic literature review (Saunders et al., 2012). For this reason, the selection of items was guided through the inclusion and repetition of stimulus and individual factors in scientific articles. Moreover, the relevance of different scientific articles was deducted from the frequency of citation in CM literature. After an initial overview, a more systematic search on relevant search words such as "cause-related marketing" and "skepticism", "cause fit", "donation size" or "proximity" was conducted. During the course of the systematic review, further articles found covering additional factors were incorporated if the factors appeared frequently and of great relevance in the field of CM. Only peer reviewed journal articles were included in the selection of articles used for the literature review.

Each article was first scanned for relevant key terms before analyzing and summarizing findings with regard to researched stimulus and individual factors, which represented the framework of primary data collection and could be used later on for the analysis of primary findings (Saunders et al., 2012). Overall, a total of 33 articles were selected that covered a time span of 24 years (1991 to 2015). Whereas multiple authors studied similar factors, naming of these was inconsistent and therefore harmonized to organize them into individual and stimulus factors. The later were then further categorized into stimulus factors related to the donation and stimulus factors related to the cause to provide more structure for the subsequent primary data collection. Ultimately, a status quo with regard to main stimulus factors researched in the field of CM could be portrayed. A summary of findings regarding the factors central to this thesis can be found in section 2.3.3 as well as a detailed table in Appendix 1. The following categorization was undertaken:

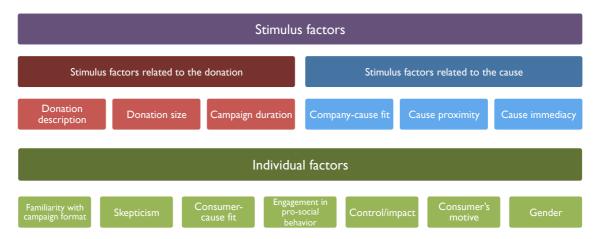


Figure 3: CM factor categorization for primary data collection

#### 3.3.2 Semi-structured Interviews

To obtain primary data that provides the needed richness to understand specific consumer behavior stemming from beliefs, motivations or perception, researchers can make use of a variety of qualitative methods. Considering that the perception of CM factors is complex, often subconscious and impacted by social desirability, especially one-on-one in-depth interviews were found to be the most appropriate qualitative method to provide insightful knowledge about factors that influence participants' view and response to CM (Malhotra &

Birks, 2007). Moreover, especially semi-structured interviews appeared feasible as previous research enabled the formation of meaningful themes in form of 13 identified factors that subsequently, yet not exclusively, guided questioning (Saunders et al., 2012).

Due to the one-on-one situation, the interviewers could exclusively focus on the individual Millennials interviewed without the presence of other social actors that could potentially bias responses (Malhotra & Birks, 2007). As thoughts, feelings and views could be expressed in the participant's own words, the interviews provided deeper insights by not limiting responses to preconceived ideas of the authors as it can be the case in survey research (Kolb, 2008). Moreover, as participants often struggle to express their specific perception of CM stimulus factors, active probing to understand the wordings and expressions was valuable to this thesis. Participants' responses were further probed to uncover 'the meanings that participants ascribe to various phenomena' and in particular to identify factors that influenced participants' view and response to CM (Saunders et al., 2012, p. 378).

#### 3.3.2.1 Participant Selection and Sampling Technique

While it is claimed that Millennials share similar characteristics and beliefs, the different life stages, owing to the birth years ranging from 1981 to 2000, need to be considered when studying the perception of this age cohort (Meredith et al., 2007). Three distinct life stages within the Millennial cohort can be differentiated considering increasing decision-making responsibility: firstly, rather dependent 16-21 year olds who mostly still live with their parents, secondly, independent 21-30 year olds who are studying or started entering working life, often already moved out from home but do not have kids yet, and lastly, accountable 25-34 year olds who started a family and are either working or are stay at home parents (Nias, 2013; w00t! Media, 2013). Living on their own increases decision-making responsibility within the latter two groups and purchase decisions are especially increasing for household and grocery brands, since these need to be purchased when living on one's own (Nias, 2013).

Since university students share similarities in their disposable income, educational level and previous experiences including exposure to advertising, they were identified as suitable interview participants. More precisely, being especially accessible and cooperative, Jönköping University students were selected and thus, the focus of this thesis lies within the second segment of independent 21-30 year old university students (Malhotra & Birks, 2007). The general homogeneity within the group allowed for a rather small number of interviews. A total of 10 to 20 interviews were aimed for depending on when data saturation was reached (Saunders et al., 2012). Due to the small sample size and the exploratory nature, which inhibits generalizability to a larger population, non-probability sampling and in particular convenience sampling was evaluated to be most appropriate (Malhotra & Birks, 2007).

Although there were few requirements that needed to be regarded in the sense of a carefully conducted screening process, a general diversity within the selected participants was aimed for (e.g. variation in gender, age, nationality) (Malhotra & Birks, 2007). In order to avoid them being in a rush during the interview, participants were informed about the length of it in advance and personal confirmation messages regarding time and place of the interview were sent.

#### 3.3.2.2 Set-up and Execution of Semi-structured Interviews

A neutral, consistent surrounding that held the same meaning and was equally comforting for all participants was chosen (Morrison et al. 2002). All interviews were recorded and findings were enriched through notes taken on pauses and intonations. Interviews were held by both interviewers on a one-on-one basis with the participant. To establish rapport and empathy with the participants, they were introduced to the formalities of the interview and informed that the session was recorded. Anonymity and confidentiality was ensured to them to establish a trustful atmosphere (Malhotra & Birks, 2007). Moreover, it was emphasized that the aim of the thesis lay in understanding their views and that there were no "right or wrong" answers as perceptions are individual.

A specific interview structure ranging from broad to narrow inquires was prepared as this had previously proven to elicit the best responses (Morrison et al., 2002). To allow for comparability of findings from the different interviews and to ensure that all important factors were covered, a topic guide inheriting the general interview structure was developed (please refer to Appendix 2). Through conduction of three test interviews (held prior to the actual data collection), the topic guide could be developed and questions adapted according to how well participants reacted to them. However, the order of question was kept flexible and was adjusted to the flow of conversation. Clearly, if participants addressed interesting issues that were not considered previously, it was probed to incorporate the results in the interview and to provide a holistic and in-depth view on participants' perception (Barbour, 2007). By using open questions, yes or no answers could be avoided, which helped to better access participants' perceptions and to identify reasoning behind the answers given.

Since confronting participants with subjects they have not yet experienced can significantly reduce building rapport, general opening questions were used to introduce the participant to the topic, to create a comfortable atmosphere and to get participants involved (Kolb, 2008; Malhotra & Birks, 2007; Morrison et al., 2002). Engaging the participants with the topic and recalling their awareness of the different social and environmental issues that deserve people's attention as well as discussing approaches to tackle them allowed for a smooth introduction to the topic and encouraged participants to be more thoughtful (Malhotra & Birks, 2007; Webb & Mohr, 1998). As such, the respective opening questions especially aimed at accessing the Millennial participants' individual factors, such as their *prosocial engagement* and perceived *individual impact*.

Subsequently, participants' knowledge about CM campaigns and their familiarity with the campaign format were addressed. Without mentioning the term CM, participants were given a description of the campaign format ("a marketing activity where a company promises to donate a specific amount to an NPO or cause when you purchase their specific product") and were asked if they knew such a campaign and if they could recall and explain an example. If needed, the interviewers provided an appropriate example. Subsequently, a general assessment of their views on and their motives for engaging in such a campaign was undertaken.

In the next step the different donation and cause related stimulus factors were addressed. As for a layman, the different factors are not obvious and may be hard to grasp, it was decided to guide the participants through the help of a visual aid. Visual input often helps to involve participants, enhances their understanding and facilitates to express views (O'Brien, Varga-Atkins, Umoquit & Tso, 2012). In this sense, participants were introduced to a fictitious advertisement of a CM campaign (please refer to Appendix 3). Specifically, an advertisement for the fictitious tissue brand "SNEEZIES" was chosen as previous studies

identified that especially low-priced, FMCG products and in particular toiletry and cosmetic products are suitable for testing CM initiatives (Alcañiz et al., 2010; Bester & Jere, 2012, Chang, 2008). Using de-identified, fictitious brands and causes was further anticipated as bias through participants' prior knowledge and brand or cause attitude could be eliminated (Bester & Jere, 2012; Chéron et al., 2012). After introducing participants to the general campaign concept of *SNEEZIES*, they were presented with differently adapted versions of the advertisement that emphasized the different stimulus factors. Figure 4 indicates the advertisement adaptations for the different stimulus factors and Appendix 4 and 5 contain all adapted advertisement versions.

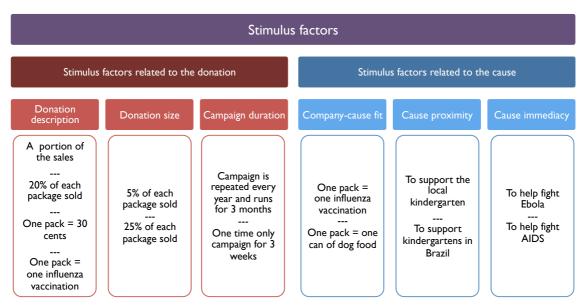


Figure 4: Advertisement adaptations for CM stimulus factor assessment

Successively, views on the different factors were discussed each separately and further set in context with participants' individual factors. To avoid confusion, the different versions of the advertisement were identical in layout and only information regarding the stimulus factor under consideration was adapted (Chang, 2011). Further, spoken information explaining the different advertisement versions facilitated the understanding of the different factors and reduced the likelihood of misinterpretation (Clark, Laing, Tiplady & Woolner, 2013). Moreover, probing was used to more thoroughly understand the specific perception of each stimulus factor, to clarify views when needed and to identify what individual factors impact the perception (Saunders et al., 2012). As the interviewers possessed a competent knowledge of the field obtained through the previous literature review, the flow of the conversation was facilitated and distinct questioning and elaboration encouraged participation (Malhotra & Birks, 2007; Saunders et al., 2012).

Finally, after exploring participants' views on the different stimulus factors, the interview was closed with a question directed towards assessment of factors participants consider most relevant when exposed to a CM campaign ("What elements or factors do you feel are most important for the CM activity to appeal to you and why?"). Moreover, participants were invited to add anything that had not yet been addressed and time to further express their thoughts and views was given. Lastly, the interviewers thanked for participation.

## 3.4 Qualitative Data Analysis

Qualitative data collection methods and in particular, in-depth interviews with flexible and open-ended questioning generate large amounts of data. As such, a data analysis method that enabled handling and making sense of the generated textual data had to be selected. Due to the structure derived from the systematic literature review and the subsequent semi-structured approach to the interviews, a clear picture existed regarding what factors to explore. Therefore, content analysis appeared most appropriate as it allowed reducing, simplifying and structuring the textual data of the interviews through the application of rules that derived from the systematic literature review and the selected factors (Malhotra & Birks, 2007). Content analysis is a methodologically controlled, systematic text analysis method that classifies and ascribes textual content to categories through set rules, thus reducing subjective interpretation effects. The reduction of data to a minimum through summarizing created a somewhat quantitative display of vast amounts of textual data that enabled handling and comparison between different interview findings (Malhotra & Birks, 2007; Mayring, 2000).

As a first step of the data analysis process, the information from the variety of data sources was gathered. Besides interviewers reflections and different notes taken during the interview, especially the word-by-word transcription of recordings was central to this step (Malhotra & Birks, 2007). In the transcripts, the two authors were indicated as IFN and IMB (interviewer Florentine Noll and interviewer Malin Beckmann) and participants numbered and gender and status included (e.g. participant one, female, student = 01FS; participant four, male student = 04MS). A basic procedure to transcription was chosen with pauses (1 sec = (.), 2 sec (..), ..., 5 sec = (5), etc.), incomprehensible words ("not understood" = "n.u."), unclear words ((word?)) and breaking offs (/). Moreover, especially stressed words were spelled in capital letters, filler words omitted and abbreviations used (Dresing & Pehl, 2013; Saunders et al., 2012).

To reduce data, transcripts were subsequently scanned for relevant information and a table was established as follows to display the findings of each interview in a unified and compressed way for a subsequent comparison and analysis (Malhotra & Birks, 2007):

Chart I: Content analysis example

Interview	Page	Line	Paraphrase	Concluded insight	Category	Previous findings/theories
07FS	3	3-4	I think CM is used a lot for the brand image.	Marketing reason behind CM is detected.	Familiarity with the campaign format	Van den Bergh & Behrer, 2013

As such, a paraphrase was used to reproduce the textual information (responses). This paraphrase was subsequently summarized (concluded insight) and ascribed to predetermined categories referring to individual and stimulus factors along with categories deriving from the topic guide and the collected data itself. If more detailed distinctions of findings were required, additional (sub-)categories were established during the data reduction and display process. By combining the two techniques of summarizing and unitizing data, a thorough analysis of the qualitative data was enabled and findings could be somewhat quantified and relationships and patterns uncovered (Malhotra & Birks, 2007; Morrison et al., 2002; Saunders et al., 2012). Moreover, the last column included focal points for possible explanations of the findings. Besides using the findings from the systematic literature review and the theoretical framework, especially the use of additional

theory from secondary research allowed for explaining and supporting the findings while at the same time opening ways for alternative interpretations.

## 3.5 Trustworthiness in Qualitative Research

Demonstrating diligence and that 'findings are based on practices that are acknowledged to be the bases of good research' is essential to any study (Denscombe, 2010, pp. 297-298). However, there are different strategies to assess the quality of quantitative and qualitative research (Williams & Morrow, 2009). Taking into account that qualitative research does not fit the positivist paradigm, which assumes that the world can be explained by observable and quantifiable facts, conventional criteria for quality assessment cannot be applied (validity, reliability, generalizability and objectivity) (Choudhuri, Glauser, & Peregoy, 2004; Denscombe, 2010). Subsequently different terminology and criteria are used to establish trustworthiness and credibility in qualitative studies (Cope, 2014; Williams & Morrow, 2009). There are three superordinate categories for quality assessment that apply to qualitative research: data integrity, balance between reflexivity and subjectivity and clear communication of findings (Morrow, 2005; Williams & Morrow, 2009). The three will be explained and examples of their application in this thesis are provided.

#### 3.5.1 Data Integrity

Data integrity relates to the *dependability* and *adequacy of the data* as well as to the *fit between* retrieved *data* and according *interpretation* (Williams & Morrow, 2009).



Figure 5: Aspects of data integrity

Dependability refers to the question of whether replication of the study by another researcher yields in similar results, representing a parallel criterion to reliability in quantitative research (Denscombe, 2010; Lincoln & Guba, 2000). By keeping an audit trail, an explicit and chronological articulation of the method including participant selection, the interview guide and a description of transcription and data analysis procedures, dependability was taken into account for this thesis (Lincoln & Guba, 2000; Williams & Morrow, 2009). Further, dependability was enhanced by discussing and reviewing the audit trail with others, external to the thesis (Morrow, 2005). Yet, since in qualitative research the researcher tends to be an integral part of the data collection and analysis process, it needs to be understood that occurrence of exact same results is unlikely, if repeated by others (Denscombe, 2010).

Adequacy of data refers to guaranteeing sufficient quality and quantity of gathered data. Sufficient quality was ensured by selecting participants that differed in age, gender and cultural background, allowing for assessment of diverse perspectives on the research topic and ensuing rich data (Williams & Morrow, 2009). Further, integrating interview findings with one another and matching them with existing literature on the topic contributed to data quality (Denscombe, 2010; Morrow, 2005). Sufficient quantity does not relate to the mere number of conducted interviews, but rather refers to the criteria of redundancy and theoretical saturation (Morrow, 2005). Once incorporation of new data to the analysis does not generate new findings, redundancy occurs (Lincoln & Guba, 1985). Even though true redundancy can never be reached, considering the diversity and unique experiences of participants, theoretical saturation became evident after the first ten interviews and when no new categories were required in the analytical process indicating that ideas were shared

among the different participants (Denscombe, 2010; Strauss, 1987 cited in Morrow 2007; Williams & Morrow, 2009).

Lastly, data integrity can be increased by allowing for transparency regarding the *fit between* the primary *data* that has been collected *and* according *interpretations* (Williams & Morrow, 2009). Direct quotes were used throughout section 4 and 5 of this thesis to emphasize transparency of fit and served as a 'solid foundation for conclusions' (Denscombe, 2010, p. 299).

#### 3.5.2 Balance Between Reflexivity and Subjectivity

The second concept of trustworthiness in qualitative research relates to the balance between participant answers (subjectivity) and consequent interpretation of the meaning by the researcher (reflexivity) (Williams & Morrow, 2009). Especially, it was probed during the interview to confirm if answers had been understood correctly. While it is acknowledged that, from an interpretivist perspective, the researchers' own values and beliefs may influence data collection and analysis, the authors made themselves aware of their specific view on the topic and emphasized the use of preset and tested questions that allowed for nonjudgmental questioning (Malhotra & Birks, 2007; Saunders et al., 2012). Further, interviews were analyzed and interpreted together as a team, so individual and subjective interpretations were reduced (Malhotra & Birks, 2007; Williams & Morrow, 2009).

#### 3.5.3 Clear Communication of Findings

To be considered trustworthy, findings and their relevance need to be clear to the reader of the study. Interpretations should be comprehensible and enriched by quotes (Williams & Morrow, 2009). Long and Johnson (2000, p. 30) in this context state that 'ambiguous or meaningless findings may result in wasted time and effort'. To avoid this, evidence must be provided that the research questions have been answered and the reader must be guided through the study by a good and consistent flow (Williams & Morrow, 2009).

Keeping this goal in mind, primary data collection and analysis were based on stimulus and individual factors identified through an extensive literature review. The research questions related back to the factors identified and helped to guide the reader through the interview set-up, display of findings and subsequent data analysis. Moreover, graphics representing the different stimulus and individual factors were included to facilitate the reading flow. Since factors were taken into account for the interview guide, subsequent data analysis was facilitated and allowed for clear communication of findings regarding the three research questions. Lastly, developing a model based on the thesis results helped to visualize findings and additionally facilitated understanding of the findings. Overall answers to the research questions were provided in the conclusion.



## 4 Findings from Semi-structured Interviews

This section summarizes the findings from the semi-structured in-depth interviews. First, participants' general view on CM and individual characteristics such as skepticism or familiarity with the campaign format is depicted. Thereafter, an overview of participants' perception of the different stimulus factors related to the cause and the donation is provided. Lastly, a summary of participants' ratings of these factors is included.

The semi-structured interviews were conducted in week 13 and 14 with a total of twelve student participants from Jönköping University and lasted between 33 and 62 minutes. As gender was a main individual factor to be studied, the six male and six female participants were identified through abbreviations to distinguish them in the communication of data (FS = female student; MS = male student). Alike chart 2 indicates in more detail, participants held three distinctive nationalities and were aged between 22 and 28 years.

Identity No.	Gender	Age	Nationality	Date and Time	Length
01FS	Female	24	German	29.03.2015 / 18.00h	52 min
02MS	Male	23	Swedish	30.03.2015 / 16.00h	56 min
03FS	Female	22	Swedish	30.03.2015 / 18.00h	57 min
04MS	Male	27	Brazilian	31.03.2015 / 14.00h	41 min
05FS	Female	23	German	31.03.2015 / 15.00h	33 min
06MS	Male	25	German	31.03.2015 / 17.00h	34 min
07FS	Female	23	French	01.04.2015 / 10.30h	43 min
08MS	Male	25	German	01.04.2015 / 15.00h	62 min
09MS	Male	24	Swedish	01.04.2015 / 16.10h	54 min
10FS	Female	24	German	01.04.2015/ 17.30h	42 min
11MS	Male	28	Swedish	02.04.2015 / 11.00h	34 min
12FS	Female	25	German	02.04.2015 / 19.00h	45 min

Chart 2: Interview and participant overview

# 4.1 Participants' Characteristics and Their General View on Cause-related Marketing

To start off, participants were posed an introductory question that was to uncover their awareness level regarding issues in the world. To further understand the Millennial participants and to be able to put subsequent answers regarding their perception of CM factors into relation, the perception of their personal role and capabilities to address and contribute in an impactful way to better these issues was assessed. Further, participants' experience with pro-social activities was central to the interview introduction. An overview of their answers including their familiarity and general disposition towards CM as well as feelings elicited through CM purchases to assess central motives for engaging in CM is provided in the following.

The participants appeared well aware and concerned about the issues in the world (e.g. poverty, social imbalances, disasters). When asked about the stakeholders' responsibility to address these issues, governments and individuals were named first, followed by companies.



While in general all participants appeared pro-socially engaged to some extent (e.g. donations, volunteering at a local club), participant 04MS particularly experienced his personal physical help as impactful and sometimes more valuable than money ('[sometimes] they really just need a hug'). Yet, participants, who either donated and/or volunteered previously,

shared the opinion that every small individual action is impactful in sum. These participants outlined that celebrities and companies but also individuals should use their ability to influence others by serving as a role model. Companies could further contribute by improving their business practices and by using their (financial) resources to help. It was suggested that they could even function as a facilitator (07FS).

Perceiving his contribution to only help on a small scale, participant 09MS rather ascribed governments and especially companies the ability to work on a larger scale where 'a sustainable solution is that [...] a company gets value from their activity as much as the society is' (e.g. building a school). Personally not feeling pro-socially engaged or impactful although donating to a child cancer fund, participant 11MS agreed that governments hold the capabilities to address and change particularly structural problems, while powerful companies can have a major impact on society as well as politics. Moreover, one participant, who previously volunteered and perceived it as impactful, rather felt that 'it is always very difficult to do something [...] when you are not in the country itself' and would rather go through NPOs to help locally (05FS). Due to her perceived limited resources, she had not previously donated but indicated that companies and governments should help. This opinion was shared by participant 08MS whose father did volunteer medical work in Africa. Although he perceived the work as impactful, he decided against volunteering when he had the chance because the personal benefits he was looking for could not be met.

Familiarity with campaign format

When presented with a general description of CM, all participants recognized the campaign format and could express the concept or even provided examples (mainly Krombacher, Pampers, TOMS) even if they had

not previously bought a CM product (lack of category relevance). Moreover, all participants identified the marketing intention behind it and mainly agreed with participant 03FS, who perceived that companies do CM 'to help out and to make themselves look better'. While some participants were rather critical ('[CM is used] to trick people into purchasing something' (01FS); I see it more as a marketing tool instead of really working towards saving the rainforest' (06MS)), the majority of participants acknowledged the profit-driven motives behind CM while still highlighting that companies are helping (We cannot think it is too bad' (07FS)).

Skepticism

When asked about their general view on CM, the majority indicated to perceive it as a 'good thing' (04MS) that companies support causes regardless of the marketing reasons behind it or actual impact. However, participants'

disposition towards CM varied. While some highlighted the more positive aspects of CM, others were more CM-skeptical.

The majority agreed that 'doing something is better than doing nothing' and 'there is nothing wrong about [purchasing CM-products]' (05MS). More CM-positive participants highlighted that CM is a convenient way to do something good and support less accessible causes by a habitual purchase as well as creating awareness for NPOs. Although two participants (02MS; 07FS) felt that CM added value to a product, it was not a main purchase or brand switching reason for other participants.

Contrastingly, other participants perceived CM as 'pouring money into an undecided cause' and as 'inefficient' (09MS), while one 'would even call it kind of unethical' to bind a donation to a

consumer's action (08MS). These more CM-skeptical participants felt that more sincere and more effective ways to do something good exist. Although the majority understood and accepted the profit driven motives behind companies' engagement in good actions, 08MS suggested that '[companies] should rather not use it for marketing efforts'.

Nevertheless, when asked about whether they trusted companies to actually support as indicated, a generally high level could be observed and was ascribed to the power of (social) media to uncover any misconduct. Previous positive experiences with a company (e.g. product quality, pro-social actions/business strategy) or NPO as well as additional information to increase transparency were named to reduce *skepticism* and to increase trust in the CM campaign.

Consumer's motive

When asked about their feelings after a CM purchase, all participants said that it would make them feel good yet their decision-making would not be substantially influenced. While some described 'it wouldn't make me feel much

better or worse' (01FS), the majority agreed that I would feel more responsible' (06MS) and as if they had contributed to society with their one good deed of the day even if it was a small thing (02MS; 07FS; 10FS). Referring back to the donation size, one participant pointed out that the positive feelings would increase if a substantial amount were donated (03FS). None of the participants indicated to buy CM-products for external reasons and distanced themselves from showing off with it.



No major differences in perception could be observed in the comments with regard to *gender*. How the *consumer-cause fit* influenced perception became especially evident when discussing factors related to the cause and will be displayed later on.

## 4.2 Perception of Stimulus Factors Related to the Donation

After the introductory questions, the interview continued by introducing participants to SNEEZIES' advertisement and specifically those versions adapted to assess the three stimulus factors related to the donation: donation description, donation size and campaign duration (please refer to Appendix 3 and 4). Each of the adapted advertisements was discussed separately. When appropriate it was probed to better understand what individual factors influence perception and how different adapted versions compared to one another. Findings for the stimulus factors related to the donation are presented in the following.

Donation description

When presented with the donation described as "a portion" there was a general agreement that it is too vague and was not perceived positively. A low transparency regarding the actual amount donated was addressed

amongst others by participant 05FS 'A portion of what?' and participant 01FS It can be anything'. Some participants perceived that the ambiguity of description allowed companies to change donation amounts during or decide upon it after the campaign. Perceiving that a company tries to hide something (If you really do good things with the money, why don't you write specifically how much will be donated?' (10FS)) or only donates small amounts led to the impression that the campaign '[...] is really only for the sales' (02MS) and thus used as a marketing tool. Yet, acknowledging the marketing-driven motives, participant 04MS stated 'There is nothing wrong in using that you are doing something good to make more money'. Regardless of the donation description being imprecise, participant 02MS expressed that donating something is better than nothing.

Differentiating between the vague donation description of "a portion" and more precise donation indications in percentage (20% of each package sold) or absolute monetary amounts (one pack = 30 cents), all participants viewed more precise indications more positively, some also as more credible. The majority explained to perceive an indication in absolute monetary amounts as 'specific' and 'concrete', whereas a donation indication in percentage confused some. Participant 05FS raised the question: '[is it] of the price or is it about the profit, the company makes?' and participant 10FS asked: 'is it now with taxes or without?'. Moreover, participants expressed that having to calculate the donation amount, when the donation indication is in percentage, takes effort and consequently they perceived a monetary indication more positively. Participant 08MS said: '[it's about] how they treat me [...] they force me to calculate'. Having done the calculation, participants acknowledged that though 20% of 1.49\$ (SNEEZIES' price) is the same amount as 30 cents, they still viewed 30 cents to be of higher value (11MS), to have a bigger impact (07FS) and to be more engaging (03FS). Yet, they could not explain this perception ('I don't know why. That is how I perceive it.' (11MS)). Despite the majority preferring an absolute monetary donation indication, two participants perceived an indication in percentage more positively. They considered that prices may rise, in which case an indication in percentage would yield in higher donations (06MS; 09MS). Participant 09MS further expressed that he 'need[s] to know the share of the profit'. If no ratio is provided, he does not know 'how much it is hurting [the company]'.

Despite favoring a more precise donation indication in percent or monetary value over "a portion", participants stated that uncertainty still existed regarding what is happening with the donation. Therefore, product donations (one pack = one influenza vaccination) were overall perceived most positively. Most participants appreciated knowing what exactly they contribute to, expressing to have a better understanding of their impact on purchasing the product. They felt it is 'something touchable' (10FS) and expressed that they could 'visualize' (03FS) how they contributed. In this context, participants also referred to their knowledge about high administration costs of NPO operations. Participant 07FS highlighted: 'in France, there was a problem about what NPOs are doing with the money'. Consequently, being presented with a product donation they perceived that "no money is lost" in NPO administration. Moreover, two generally rather skeptical participants associated product donations with higher efforts for the company, which they appreciated (01FS; 11MS). Participant 11MS stated: 'they have actually cared about looking into what they can do more specifically, than just [donating] money' and this 'feels less [like] marketing'. Participant 10FS adds, 'even if this would just cost 15 cents at the end, I think it has more value'. Participant 07FS expressed a perceived higher commitment of the company when a vaccination was donated ('Ithis creates] the image of a company who really wants to help'). Yet, despite generally perceiving product donations more positively, participants 02MS and 06MS indicated that to them, relevant information such as how much a vaccination is worth and questions regarding who and where to, was still missing. Participant 02MS demanded this information to be at least available online.

To explore participants' views on *donation size* they were provided with two different donation magnitudes, 5% and 25% of the product price. Previous studies identified these two donation indications as most acceptable regarding high and low donation magnitudes (Chang, 2011).

General agreement existed that 5% is perceived as a rather small amount. Comparing 5% to SNEEZIES' product price participants 05FS and 07FS felt, it is 'nothing'. Participant 07FS added: *1 think it is ridiculous'*. Regardless of general *skepticism* towards CM, the small donation size was often associated with increasing sales and marketing motives compared to

actual goodwill. Participant 05FS said: 'it's more to polish their image'. Similarly it was expressed that 'the more you are willing to give to the NPO, the less it is about yourself and your own corporation' (02MS). Participants 06MS, 09MS and 10FS agreed that higher donations display 'less egoistic reasons' and that the company actually 'wants to do good with their profits'. Yet, despite viewing 5% more critically, the majority of participants added that small donations are still better than nothing.

Many connected a donation of 25% to 'a quarter' or 'one fourth' and perceived it as high. Viewing positively that a higher donation size has a bigger impact, participants also considered the company's ability to donate high amounts while still operating profitable. Therefore too high donations were viewed suspiciously and 'too good to be true' (02MS). Acknowledging that 'the amount invested in the NPO is [...] influential' (02MS), participants stated that the amount 'needs to be reasonable and not too high and not too low' (05FS) and that there needs to be a balance between the product price and the donation amount.

Campaign duration

Facing differences of *campaign duration* and repetition, all participants, viewed longer campaign periods and repetition more positively than a one-time short-term campaign. Longer campaign periods were generally

regarded to have a higher impact and participants expressed to perceive SNEEZIES' commitment more sincere and thus, their goodwill to be higher. Even participant 08MS, generally CM-skeptical, acknowledged 'this shows me that this company really cares' and that they actually want to 'improve something'. Additionally long-term and repeated campaigns were viewed as more trustworthy and consequently reduced skepticism. These views compare with the perception that participants held for one-time short-term campaigns. Expressing that such campaigns do not have an impact, most participants perceived that one-time short-term campaigns are less about contributing to a cause and rather profit- and marketing-driven. Participant 07FS, who generally views CM positively, stated that 'it is really too short time focused. So it is really about creating this marketing buzz, I have the impression'.

Clearly, little discrepancy exists on perceptions regarding the *campaign duration*. However, participants 01FS and 11MS expressed that the *campaign duration* is something they usually do not consider at the POS and repetition is not always recognized.

## 4.3 Perception of Stimulus Factors Related to the Cause

Participants were further introduced to adapted SNEEZIES advertisement versions that were prepared to assess participants' perception of the stimulus factors related to the cause, namely *company-cause fit*, *cause proximity* and *cause immediacy* (please refer to Appendix 5). Specific framings of these factors were viewed differently among participants and insights regarding participants' perceptions and individual factors influencing these were gained.



Overall, participants perceived the health-related cause (influenza) to better fit the company SNEEZIES than supporting stray dogs. Yet, the evaluation of the fit differed among participants.

A general more positive perception of the high *company-cause fit* existed among participants, who previously described CM as a rather good action highlighting the positive contribution of this marketing activity to the cause. Stressing the relevance of SNEEZIES' expertise and connection to the cause, participant 03FS stated '[...] they should probably act [...] in kind of their domain'. Further, it was suggested that the selection of a company-coherent cause helps to increase campaign credibility and a positive brand image. However, rather CM-skeptical participants perceived that the high *company-cause fit* was selected by SNEEZIES to

primarily profit the company and thus, a high fit to be applied solely for marketing reasons (05FS).

Regardless of differences in their general disposition towards CM, participants indicated that the low company-cause fit of SNEEZIES and the cause "stray dogs" elicited skepticism concerning the reasons for CM engagement ('Are they really trying to help or is this just something they are doing to look good?' (04MS)). The unfitting cause "stray dogs" was described as disruptive, not logical and confusing. While it increased attention, perception was not positively influenced. Contrasting the majority of participants' perception, the rather CM-skeptical participant 01FS felt that 'maybe someone [in the marketing department] actually cares more about the cause' and perceived the "stray dog" option to be 'less marketing'.

Moreover, personal identification with either of the causes was described as guiding perception of the factor company-cause fit and SNEEZIES' CM campaign in general. Participants, who were already engaged with a cause previously or could identify with it (e.g. 'we were all kids once and [...]I have smaller sisters' (03FS), being a vegetarian or a relative of a victim), perceived the support of the thereof positively due to a high consumer-cause fit. A low company-fitting cause like "stray dogs" was not viewed as 'inappropriate' by participant 01FS and a positive perception was described by her to be dependent on 'how much I care about dogs or animals and not so much if it fits the company'. When assessing the factor company-cause fit, the participants raised the topic of their individual relevance-perception of the two causes. The necessity to support fighting influenza in countries like Sweden or Germany was questioned, making the high fit with SNEEZIES less relevant. Also "stray dogs" was viewed as a less relevant cause and it was less positively perceived, evident in the statement of participant 02MS 'for me there are more important causes than influenza or stray dogs'.

Cause proximity

When presented with the different cause proximities (local kindergarten versus Brazilian kindergarten), mainly the relevance and the geographic attachment as well as the possibility of participants to assure themselves

of the impact influenced perception.

On the one hand, the participants indicated that supporting an international kindergarten is more relevant than supporting a local kindergarten. The situation in Brazil was perceived as worse and help as more needed. Especially participants from Germany and Sweden explained their perception by referring to their experience: 'they [German kindergartens] had pretty good support systems' (01FS). Moreover, participant 03FS indicated that 'media and how they display it' influenced her view on an international cause. However, it was also pointed out that there could be even more relevant causes especially in an international setting covering basic needs or medical care.

On the other hand, even if the greater impact and relevance of supporting the Brazilian kindergarten was acknowledged, a general positive perception of local support existed. Pointing out that much attention is paid to supporting international causes, participant 07FS perceived that 'we kind of close our eyes what is going on around us'. Her positive perception was shared by participants, who explained being part of a society and thus feeling more personally attached and in favor of local community supporting causes. The ability to assure oneself how the donation is actually used, played a major role in the perception of all participants. Reducing the need to trust a company, the greater transparency of a local donation's impact was perceived positively especially by generally CM-skeptical participants ('for the customer it's visible, it's touchable' (08MS)). In this sense, participant 09MS felt that '80% [of the donation amount] will be disappearing in empty space' with an international cause.

Moreover, the reasons behind selecting an international cause were perceived as rather egoistic and exploitive. Being generally CM-skeptical, participant 09MS viewed the selection of an international cause as rather random, chosen for marketing purposes and criticized the missing connections. This was supported by a CM-positive participant, who also highlighted that a connection between company and cause needs to exist regardless of the proximity (04MS). Participant 06MS also felt that an international cause is used due to its perceived importance for consumers to stimulate actions and thus, to increase sales. But it was also perceived that a local company supports a local kindergarten to actually do good, while an international company would just do it for its own benefit (10FS).

Lastly, participants also expressed that perceived effort positively influenced their view. However, both the selection of an international as well as a local kindergarten was perceived as taking effort.



When presented with the different cause immediacies, there was a general agreement that Ebola, representing a recent cause, received more current media attention. This attention was perceived to be used

for the campaign. However, reasons for using the recent media attention were perceived differently among the participants.

On the one hand, participants perceived that companies used a recent cause and media attention to profit from it (e.g. by reducing media costs due to a high awareness created by the media and using the cause popularity to sell products). While it was acknowledged to be a smart move of the company, the rather CM-skeptical participant 01FS perceived the support of a recent cause as 'jumping on a wagon' and tying the help for a recent issue to a purchase even as 'inappropriate' (e.g. recent tragedies). While she thought to be alone in her opinion, there were other participants (not generally CM-skeptical), who perceived marketing reasons to be at the front reducing the trustworthiness of the campaign. In this sense, a lower trustworthiness was perceived for the Ebola cause than compared to the AIDS (ongoing) cause. This became evident in the statement 'we [company] need to find a reason why people would buy a product' (06MS). The reasons for supporting an ongoing cause like AIDS, which has been around for a while and currently receives less media attention, was less questioned and more trusted by two participants (06MS; 07FS).

On the other hand, many participants acknowledged that companies use current media attention and high awareness levels for recent causes, but did not perceive it negatively as such. By statements like 'they want to put their money where it is mostly needed' (11MS) and '[SNEEZIES] is reacting to [current] demands' (05FS), a general more positive and less exploitive perception of the recent cause "Ebola" could be observed particularly for those generally CM-skeptical. Previous experience with a company was indicated by 07FS to influence the perception of cause immediacy and the motives of the company (skepticism).

Also the participants' personal perceived relevance of the cause played a major role in a positive evaluation of the campaign stimuli related to the cause. With regard to recent causes, participant 11MS stated that 'the media attention is there for a reason'. He was further supported by participant 09MS, who had previously gathered information regarding Ebola from a TED presentation of a well-known doctor and termed this cause as 'terrifying'. Being top of mind for many of the participants, 03FS perceived that the recent Ebola cause 'makes you act'. She was supported by participant 07FS, who highlighted the threat of the cause for her personal life and surrounding society. Ongoing causes were perceived to receive substantial support already and were thus viewed as less relevant. Relating to his

own involvement and identification with a cause, participant 08MS highlighted to more positively perceive 'something that relates to me as customer'.

## 4.4 Rating of Stimulus Factors

After discussing the different stimulus factors related to the donation and the cause, participants were asked to summarize those that are most important to them regarding their overall perception of a campaign.

The majority of the participants, regardless of their general disposition towards CM, indicated they rather focused on the stimulus factors related to the cause, specifically the cause-fit. Yet, there was a discrepancy between either emphasizing the comprehension of the *company-cause fit* or rather stressing the personal identification or perceived relevance of supporting a specific cause (*consumer-cause fit*). Particularly, participants evaluated the impact of the campaign with regard to the relevance of the cause.

Another aspect that became apparent in participants' overall evaluation was that especially those generally positive about CM mentioned the need for detailed information. 04MS stated: 'they need to be transparent'. Relevant information needed to be available and easily accessible to understand where to, how much or what and to whom something is donated. participant 07FS concluded: 'then I cannot have any doubts about it'.

Participant 08MS, who was generally very CM-skeptical also emphasized transparency, yet in another sense as to him it was especially important to visually see the effects of the campaign in his community. Therefore he expressed to prefer a campaign that supports a local cause on the long term. He would appreciate it if the local newspaper and neighbors, as independent sources, reported about the efforts.

Other participants emphasized the stimulus factors related to the donation. Especially the donation description provided participants with information regarding what is donated and consequently a personal assessment of the campaign impact. In this context product donations were preferred. Moreover, the donation size, specifically higher but still reasonable amounts, were expressed to positively influence participants' perception of CM.

Lastly, it was also acknowledged that the company and the image of the company influences participants' overall evaluation of a CM campaign. A campaign run by a company that is generally trusted and perceived as caring was evaluated better.

## 5 Analysis

In this section findings from the semi-structured interviews are discussed by putting them into relation with relevant theory and previous findings. While the goal of this thesis was not to uncover the one truth, the aim of the analysis is to work towards providing answers to the different research questions that are displayed in the conclusion to ultimately fulfill the purpose of this thesis.

# **5.1** Millennial Participants' Perception of Stimulus Factors Related to the Donation

As previously presented, donation description, donation size and campaign duration are categorized as stimulus factors related to the donation. To provide insights for answering research question one in the conclusion section, interview findings are analyzed by putting them in context with ideas presented in the theoretical framework and additional theories that help explain and interpret interview findings further. Moreover, also individual factors that appeared to influence perception of the stimulus factors related to the cause are depicted, which facilitated answering research question three.



Findings indicate that preciseness of the donation amount influenced Millennial participants' perception of *donation description*:

1. Preciseness of donation description mediated CM campaign transparency.

The high ambiguity of a vague description ("a portion") stipulated questions regarding the donation amount and its consistency. While previous studies indicated that Millennials are rather *skeptical* and seldom trust advertising claims (Van den Bergh & Behrer, 2013), the interviews actually revealed a general high trust in CM campaign promises to be kept since media was ascribed the power to regulate company behavior. Any misconduct would easily be identified and fast spread through (social) media, which Millennials use and are connected through (Parment, 2012). However, the ambiguity of a vague description created uncertainty for participants about what exactly they can expect to be donated and consequently, what to trust in. Overall, participants' high need for transparency (Van den Bergh & Behrer, 2013) was not met by a vague *donation description* and resulted in rather negative perceptions.

Precise donation descriptions (percentage, monetary amounts, product donations) were more transparent for participants. Yet, findings show that the same absolute monetary amount expressed in percentage was perceived of lower value and as less impactful. Thus, different processing took place and may have been guided by different schemata activated through the description (Hanna et al., 2013). Especially, the easy accessibility of the donation amount resonated well with the convenience-seeking Millennial participants and further explains why absolute monetary donation indications were perceived more positively. Having to calculate the amount donated, descriptions in percentage were less transparent and Millennial participants disliked the extra effort companies imposed on them. The interview quote '[its about] how they treat me' (08MS) reflects the self-centered Millennial characteristic and high level of narcissism (Tulgan & Martin, 2001; Twenge & Campbell, 2008).

Product donations were perceived as more tangible and precise with regard to their impact, thus adding transparency to CM campaigns. Perceiving that with product donations no money is lost in NPO administration, Millennial participants used their previous

experiences and knowledge ('there was a problem about what NPOs are doing with the money' (07FS)) to interpret the stimulus. Thus, a top-down processing of this stimulus took place (Gregory, 1970; Hanna et al., 2013). Yet, not specifying the monetary value of the product donation simultaneously reduced transparency.

#### 2. Preciseness of donation description influenced skepticism towards CM campaign.

The ambiguity of a vague donation description stipulated the perception that a campaign is 'really only for the sales' and thus, cause exploitive (02MS). Being marketing savvy, all interview participants understood the persuasive intent of CM and in particular of vague donation descriptions. The Persuasion Knowledge Model by Friestad & Wright (1994, p. 1) explains 'how people develop and use persuasion knowledge to cope with persuasion attempts'. Although perceived as a marketing activity, participants coped differently with the persuasion attempt. While one way was to distance oneself from CM, another way to cope was expressed by participant 04MS, who judged nothing to be wrong in using 'that you are doing something good to make more money'.

Contrastingly, product donations (a more precise donation description) were perceived as more cause beneficial ('they really want to help' (07FS)) because they were associated with higher company efforts, which is in line with previous findings of Ellen et al. (2000) and Müller et al. (2014). The thoughts and time spent for the selection of an appropriate donation product adds sentimental value (according to gift giving theory by Yao, 2009) and thus, may explain the perceived higher commitment that reduced skepticism.

Participants used the preciseness of the *donation description* to judge the company's motive to engage in CM (cause exploitive or beneficial). Signaling theory, which suggests that different informational cues are used to form judgment about objects, serves to explain this interpretation process and indicates a heuristic-based decision-making (Spence, 1973; Viswanathan & Jain, 2013). In this sense bottom-up processing, whereby consumers form perceptions derived from the totality of all stimuli is less supported (Gibson, 1966; Hanna et al., 2013).



#### 3. Perception of CM was influenced by the donation size.

In line with previous findings on CM of Moosmayer and Fuljahn (2010) and Müller et al. (2014), a more positive disposition towards higher donation amounts also existed for Millennial participants

because 'less egoistic reasons' of a company to engage in CM (09MS) and a higher impact due to greater financial support for the NPO were ascribed. Moreover, positive feelings about a CM purchase increased with greater donation magnitude. However, being well educated and understanding the need of companies to operate profitably (Van den Bergh & Behrer, 2013), participants considered feasibility to restrict donation magnitude. Reaching a certain level, donation size was said to elicit skepticism because it was perceived 'too good to be true' (02MS).

Smaller *donation sizes* were generally perceived less positively, less impactful and thus, more cause exploitive. Analysis indicates that participants, who felt that their small individual contributions add up to something bigger, coped with the persuasive attempt of especially a small *donation size* by acknowledging that also for marketing activities small donations are still better than nothing (*Control/impact*). Thus, it became evident that individual beliefs guided the perception of stimulus factors related to the *donation size*, which reflects top-down processing (Gregory, 1970; Hanna et al., 2013).



4. Campaign duration mediated perception of company-cause commitment.

In line with previous studies assessing consumer attitudes towards CM by Chéron et al. (2012) and Cui et al. (2003), longer *campaign durations* were also viewed more positively by Millennial participants regardless

of their general disposition towards CM. Compared to short-term campaigns, they explained to perceive longer durations to require higher commitment of companies and to be less marketing focused. Linking back to their knowledge and awareness of issues in the world, participants viewed that only long-term commitment can better or resolve these in a sustainable way (Parment, 2012). Consequently, previous knowledge and beliefs about the approaches to better issues influenced the interpretation of the stimulus *campaign duration* (top-down processing (Gregory, 1970)). Moreover, making the inference that a longer commitment is more sincere and representing the goodwill of a company, this stimulus factor also served as a cue to signal motives of a company (Spence, 1973; Viswanathan & Jain, 2013).

However, accessibility of this stimulus factor is often limited since neither repetition nor the campaign period is easily identified when exposed to a CM product or campaign. Consequently, *campaign duration* is not at the front when assessing a CM campaign.

# **5.2** Millennial Participants' Perception of Stimulus Factors Related to the Cause

Keeping research question two in mind, interview findings regarding the three stimulus factors related to the cause are analyzed by putting them into relation with ideas presented in the theoretical framework and enriching the analysis through theories for (additional) explanation. Similar to the previous section, additional insights on individual factors that impacted perception of *company-cause fit, cause proximity* and *cause immediacy* are included contributing to answering research question three.



1. Interpretation of the company-cause fit was highly individual.

Findings show that varying levels of *company-cause fit* were perceived differently among Millennial participants with regard to elicited *skepticism* and overall evaluation. According to attribution theory,

individuals use information differently to explain for instance behavior or events (Fiske & Taylor, 1991). While some viewed a high *company-cause fit* as applied to profit the company (egoistic motives), generally less CM-*skeptical* participants explained the link between a company and cause as using their existing expertise in the specific domain to best support a cause. At the same time, a low *company-cause fit* could also elicit *skepticism* and was viewed disruptive because reasons for choosing an unfitting cause were not understood. Participants' opposing evaluations of the *company-cause fit* are in line with previous findings that indicate attitudinal and behavioral responses to differ with varying levels of *company-cause fit* (Basil & Herr, 2006; Chéron et al., 2012; Ellen et al., 2000; Gupta & Pirsch, 2006; Lafferty et al., 2004; Nan & Heo, 2007).

Expressing their views on the *company-cause fit*, it also became evident that consumers could not judge on the fit in isolation. It is apparent that also the personal evaluation of the relevance of the cause was of importance when trying to understand how Millennial participants perceived the stimulus factors related to the cause. Moreover, personal identification with a cause mediated the perception of selected causes (*consumer-cause fit*). By

considering a cause to be fitting one's personal interests, individual beliefs and prior experiences were used to interpret the stimulus in a more positive way (top-down processing (Gregory, 1970)).



Findings show that perceived personal proximity and transparency guided the interpretation of *cause proximity*.

2. Perception of cause proximity was influenced by different aspects of personal proximity.

Findings show that perceived relevance was an important aspect in the interpretation of cause proximity stimuli. Comparing international with local causes, participants evaluated the relevance of the respective causes based on their prior experiences and knowledge. In this sense, experiences gained through prior pro-social engagement (e.g. volunteering at a local kindergarten participant 01FS perceived 'they had pretty good support systems'), by growing up in a local community or knowledge about international circumstances obtained through media were used to interpret the different cause proximity stimuli (top-down processing (Gregory, 1970)).

Moreover, participants also considered themselves part of a local community, for which they perceived support to also be required (e.g. 'we kind of close our eyes what is going on around us' (07FS); Cone Inc., 2006). Consequently, they also perceived support of local causes positively even if relevance and a greater impact for international causes were acknowledged. Social Impact Theory, initially termed by Latané (1981), in this sense describes social forces to influence people's perception and behavior (Jackson, 1987). This implies that 'responses to social influence are determined, in part, by immediacy or the proximity to physical sources' (Landreth Grau & Garretson Folse, 2007, p. 21). Being physically closer to local causes, Millennial participants felt more personally attached and could better identify with them contributing to a more positive perception. This further matches findings of Vanhamme et al. (2012), who revealed that cause proximity mediates consumer identification and perceived relevance of a cause.

Previous studies on *cause proximity* indicated incongruous findings regarding attitudes towards local causes (Cui et al., 2003; La Ferle et al., 2013; Landreth Grau & Garretson Folse, 2007). The interview findings provide possible explanations for this as it was found that not only the factual proximity but also other aspects (e.g. relevance, personal identification and social impact) influenced Millennial participants' perception of the stimulus *cause proximity*.

#### 3. Cause proximity mediated how transparency is perceived.

Local causes enabled participants to assure themselves of the usage and impact of donations by physically and personally being able to check in their local community. Consequently, the need to trust a company and thus, *skepticism* was reduced. Moreover, when confronted with an international cause, certain associations (schemata) were elicited in participants. These included higher transportation costs, uncertainty about the efficient usage of resources and international NPO scandals ('80% will be disappearing in empty space' (09MS)). Contrastingly, participants viewed that donations are used more efficiently when a local cause is supported. This indicates that schemata were used in the interpretation process of cause proximity stimuli implying top down processing (Gregory, 1970; Hanna et al., 2013).

Transparency regarding the reason for choosing a specific *cause proximity* mediated *skepticism* towards the company motives for CM engagement. In this sense, Millennial participants requested a clear connection between a company and the cause including its location (company-cause fit).



4. Acceptance of the persuasive intent inherent in a recent cause mediated perception of cause immediacy.

Findings show that Millennial participants linked recent causes to high media attention and claimed them to be used by companies in CM for the same reason. In the light of the Persuasion Knowledge Model

(Friestad & Wright, 1994), Millennial participants were aware of the persuasive attempt ('there is always a marketing reason behind it' (05FS)) but coped with it by reasoning differently. On the one hand, profit driven motives of a company were accepted and the use of a recent cause was considered as reacting 'fast to a current issue' (07FS), which was viewed positively. On the other hand, participants ascribed more exploitive reasons (to increase sales) to the use of a recent cause ('[they are] jumping on a wagon' (01FS)) and thus, viewed it rather negatively. Once again the findings show that Millennial participants were marketing savvy and highly familiar with marketing mechanisms (Van den Bergh & Beherer, 2013). How the use of a recent cause was interpreted (exploitive or cause-beneficial motives), also depended on participants' prior experiences and image of the company engaging in CM. When a positive disposition towards a company existed, participants inferred more positive perceptions for the CM action, and vice versa. This indicates the halo effect (Blythe, 2013).

Just as apparent in the analysis of the stimulus factors company-cause fit and cause proximity, individual perceived relevance of a cause also influenced interpretation of cause immediacy. Millennials nowadays obtain detailed information from the Internet (09MS; Parment, 2012) and use their knowledge to evaluate the relevance of different causes (top-down processing (Gregory, 1970)). Moreover, when a recent cause was viewed as a direct threat for a Millennials' local community ('they are saying that some cases [Ebola] are coming to Europe' (07FS)), its relevance was perceived to be higher because a personal need to act upon the threat exists, which can be attributed to the Social Impact Theory (Landreth Grau & Garretson Folse, 2007; Latané 1981). Similarly, a higher personal identification with a cause led to a more positive perception of a cause regardless of its immediacy. In summary, consumer-cause fit influenced perception of cause immediacy stimuli.

While previous studies consistently indicated more positive attitudes towards recent causes (Cui et al., 2003; Ellen et al., 2000; Ross et al., 1991; Vanhamme et al., 2012), findings from the interviews reveal that Millennial participants' perception of recent causes was individual and depending on their coping behavior, company image and perceived (personal) relevance of the cause.

# 5.3 Individual Factors Influencing Millennial Participants' Perception of Cause-related Marketing

The literature review revealed seven individual factors – familiarity with campaign format, skepticism, consumer-cause fit, engagement in pro-social behavior, consumer's motive, control/impact and gender. Besides looking into the manifestation of these for participants (introductory questions), it was assessed whether they influenced perception of stimulus factors throughout the interview and subsequent analysis.

Familiarity with campaign format It was uncovered that all participants were *familiar with CM* and could identify the marketing motivations behind it. As discussed previously, participants' *familiarity* and according coping behavior is closely linked to

the Persuasion Knowledge Model (Friestad & Wright, 1994). The interviews revealed that familiarity played a role in the overall perception of CM as it was found that participants' coping behavior varied from being rather CM-supportive to CM-skeptical. Specifically with regard to the stimulus factors cause immediacy and donation description, participants' high familiarity and understanding of marketing mechanism became apparent in their elaborations on the selection of a cause and its donation framing.

Skepticism

Clearly, familiarity is closely related to skepticism. Although a high familiarity with the campaign format was found for all participants, the perceived persuasive intent was evaluated differently. On the one hand, participants

criticized using good deeds for marketing efforts, while on the other hand, the engagement of a company was perceived as a 'good thing' (04MS). This is in line with previous findings by Anuar and Mohamad (2012) and La Ferle et al. (2013).

Besides playing a role in the overall evaluation of CM, *skepticism* became especially apparent in all six stimulus factors. Although a generally high level of trust existed among participants, the framing of each stimulus factor impacted the extent to which they believed the CM campaign promise to be kept. Even more notably, variations in perceived company motives for CM engagement can be ascribed to the different stimulus factor framings. Previous studies focusing on attitudes and purchase intention support that the level of *skepticism* is mediated through different cause and donation related stimulus factors (Chéron et al., 2012; Kim & Lee, 2009; Landreth Grau et al., 2007; Webb & Mohr, 1998).

Consumercause fit Moreover, stimulus factors related to the cause (company-cause fit, cause proximity and cause immediacy) were not viewed in isolation. Especially, the perceived relevance and the extent to which participants could identify with

the cause as such influenced the interpretation of the stimulus factors related to the cause. Thus, in line with previous studies on attitudes, a high *consumer-cause fit* also led to more positive perceptions of the three cause-related stimulus factors (Cui et al., 2003; Gupta & Pirsch, 2006).

Engagement in pro-social behavior During the introductory questions it became evident that all participants were *pro-socially engaged* to some extent (donations or volunteering). The impact of previous *pro-social engagement* on the perception of stimulus factors

however was limited. Participants used their experiences and knowledge gained through volunteering to, for instance, evaluate *cause proximity* and relevance of the cause. This reflects the top-down processing, in which experiences influence perception (Gregory, 1970; Hanna et al., 2013).

Control/impact

Feeling that every small action counts including their *pro-social engagement*, participants evaluated the small donations made through CM as equally beneficial to bettering issues in the world. Moreover, when perceiving their

impact as limited, participants appreciated the facilitating function of companies to aggregate larger donation amounts through the purchase actions of the many. Consequently, in contrast to Youn and Kim's (2008) findings, the interviews revealed that differences in the factor control/impact did not notably influence participants' perception of CM and the six stimulus factors respectively.

While all participants indicated to feel good about a CM purchase, these feelings were not substantial enough to serve as an intrinsic motivation to choose a CM over a habitual product or preferred brand. This is in line with findings of Youn and Kim (2008) and Koschate-Fischer et al. (2012), who claim only especially high levels of intrinsically driven motives to result in a higher willingness to pay for a CM product. Only one participant directly referred back to intrinsic motives during the assessment of *donation size* (she would feel better if a higher amount was donated). Participants acknowledged CM as being a convenient way of realizing their one good deed of the day, which matches previous findings on CM by Daw (2006) and Langen (2013). Yet, a strong impact of the individual factor *consumer's motive* on perception did not become apparent throughout the interviews.

Lastly, content analysis did not reveal any peculiarities in perception (six stimulus factors and CM in general) that could be ascribed to *gender*. Thus, in contrast to previous findings on attitude and purchase intention (Chéron et al., 2012; Moosmayer & Fuljahn, 2010), *gender* in the context of this thesis did not influence perception.

# 5.4 Model of Cause-related Marketing Perception Factors Based on Analysis

In this section, interview and analysis findings are put into context with the factors previously identified through the systematic literature review to derive a model of factors that influenced Millennial participants' perception of CM campaigns. Complementing stimulus factors revealed throughout the analysis of the interviews are introduced in Figure 6. Moreover, importance of the individual factors is indicated through different shades of green.

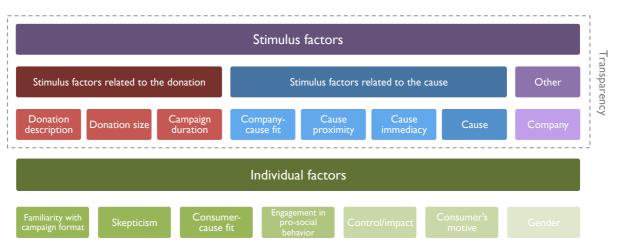


Figure 6: Model of CM perception factors (based on analysis)

Analysis of interview findings disclosed an importance of the *cause* as such in overall CM campaign perception. This became evident in the participants' rating of CM stimulus factors, but also when participants addressed their personal identification and relevance with the cause as such to be guiding perception.

Moreover, although not primarily considered in the interview set-up, participants explained perception to be based on the *company* engaging in CM (e.g. previous experiences with the

company and its products, knowledge about business practices and references to the brand image).

Participants overarching need for *transparency* influenced perception of all stimulus factors and therefore of the CM campaign as such. They requested clear information to be directly accessible in order to understand essentials such as how much and where to donations are made. Moreover, they wanted to understand the link between a company and the selected cause to derive at a state of "no questions left unanswered". Detailed information was expected to be available online (e.g. achievements). These findings link back to Millennials' overall high need for transparency and that they are used to retrieving detailed information online (Van den Bergh & Behrer, 2013).

Regarding the influence of individual factors, analysis revealed that especially familiarity with the campaign format, skepticism and consumer-cause fit played a role in the perception of CM and respective stimulus factors. Engagement in pro-social behavior was also important since participants linked their perception to their experiences gained through volunteering. Rather less observable were consumer's motive and control/impact, whereas no impact could be ascribed to gender differences.

### 6 Conclusion and Discussion

This section provides final answers to the three research questions central to this thesis and thus, a conclusion to the purpose. This is followed by a discussion on implications and limitations of this thesis. Finally, suggestions for future research are outlined.

#### **6.1** Conclusion

The purpose of this thesis was to explore Millennials' perception of CM by focusing on different stimulus factors associated with CM and individual factors related to the consumer. To attain the purpose, a systematic literature review was conducted to identify stimulus and individual factors that play a major role in the perception of CM campaigns. From this, three research questions were formulated and answers to these sought through primary data collection by conducting semi-structured in-depth interviews with Millennials born between 1987 and 1992. Derived from interview findings and subsequent analysis of the same, the research questions are answered as follows to attain the overall purpose:

#### 1. How do Millennials perceive the different stimulus factors related to the donation in CM?

Participants' perception of the three stimulus factors donation description, donation size and campaign duration depended on the specific framing of these in a CM campaign set-up. Stimulus factors related to the donation were frequently interpreted in the light of participants' preexisting views, experiences and needs. Especially, Millennials' high need for transparency played a major role in this top-down processing of stimulus factors related to the donation. Participants demanded clear information on what and how much is donated. Further, the three stimulus factors served participants as a cue for the evaluation of the company's motives to engage in CM. Generally, precise donation descriptions (as compared to vague) were perceived as more transparent, trustworthy and altruistic, leading to a more positive perception. Specifically, understanding the physical impact, a product donation was perceived as more precise and as requiring higher company efforts. Moreover, a higher donation size was perceived as more impactful and thus, cause beneficial. Yet, a small donation size was viewed as better than nothing. While the stimulus factor campaign duration is often not perceived at the POS, longer durations were viewed as a indication for higher commitment of a company and thus, more altruistic.

#### 2. How do Millennials perceive the different stimulus factors related to the cause in CM?

Perception of the three stimulus factors company-cause fit, cause proximity and cause immediacy was influenced by participants' personal identification with and relevance ascribed to the cause as such as well as prior experiences and triggered schemata. Especially the perception of the company-cause fit was highly individual and depended on the general disposition towards CM and how transparent the link between company and cause appeared to the participants. In this sense, some perceived a high company-cause fit as cause exploitive, while others perceived it as cause beneficial. Regarding cause proximity, it was found that local causes were perceived as more transparent and easier to identify with. It was viewed that donations are used more efficiently and the possibility to assure oneself of the campaign achievements increased perception of a recent cause to be trustworthy. Considering cause immediacy, high media attention was perceived as a major incentive for companies to select a recent cause. How participants interpreted the stimulus and coped with the understood persuasive attempt ranged from cause beneficial to rather negative and was said to depend

on prior experiences especially with regard to the company (company image). Again this indicates a top-down processing approach.

#### 3. What individual factors influence Millennials' perception of CM?

When assessing the different stimulus factors, especially familiarity with the campaign format, skepticism and consumer-cause fit were frequently addressed and thus, identified to influence participants' perception of CM. Moreover, analysis and perception theory indicate that perception is a highly individual process that depends on previous experiences and distinct association networks (schemata). In this sense, experiences retrieved from previous engagement in pro-social behavior also influenced the interpretation of stimulus factors. To a smaller extent, consumer's motive and control/impact affected participants' view on CM since participants did not ascribe importance to them in the evaluation of the different stimulus factors. Lastly, gender differences were not observable in the context of primary data collection of this thesis and thus, ascribed no influence on participants' perception.

## 6.2 Implications

Considering Millennials' peculiar and unique characteristics, it was proposed in the problem discussion that a different set-up, management and communication of CM might be required for this age cohort. To approach this central problem for research, a qualitative assessment of Millennials' perception of CM was made central to this thesis. While previous studies focused on general population's attitudinal and behavioral responses to CM campaign stimuli, the findings on Millennial participants' perception of the same can mainly be integrated into this existing body of knowledge and thus, provide supplementary insights on the mental processes involved in the interpretation of the campaign stimuli. As perception greatly influences behavioral responses, the thesis findings especially hold implications for marketers.

Since participants mainly processed CM campaign stimuli in a top-down approach, marketers need to closely define their target audience to precisely understand what individual experiences, beliefs and knowledge shape their interpretation of CM campaign stimuli. While an age cohort such as Millennials is said to share similarities with regard to individual factors, interview findings indicated differences to exist especially concerning perceived relevance and identification with specific causes based on personal backgrounds. Thus, marketers should invest into additional research to uncover and understand peculiarities of their specific Millennial target audience to most successful set-up and manage CM campaigns.

Moreover, marketers should select donation and cause framings for their campaign set-up that resonate with their target audiences' specific needs. Particularly, transparency was identified as a general need of Millennial participants in CM. Demanding clear and precise information on what and how much is donated, especially tangibility played a major role for participants. In this sense, product donations supplemented by a donation amount description but also local causes, which allow for self-assurance of campaign achievements seem to resonate well with a transparency-seeking target audience.

Yet, findings suggest that transparency not only concerns the CM advertisement set-up but all campaign measures. Besides having most relevant information readily available at the POS for fast decision-making, findings suggest to provide the online savvy and transparency seeking Millennials with additional information on the corporate website.

In the context of trust in CM, marketers need to be aware of the power of social media to uncover any misconduct, which was addressed by Millennial participants and said to influence their perception. Clearly, governmental institutions could further regulate CM practices by passing specific laws and policies to hinder deceptive marketing. This could especially increase trust among skeptical consumer groups.

Moreover, referring back to consumers as stakeholders in CM, assessment of Millennial participants' perception and general view on CM allows for inference that CM remains a relevant campaign format at least for the group under study. As Millennial participants considered CM a convenient way for them to contribute to bettering (world) issues, marketers can potentially profit from the facilitator role ascribed to companies engaging in CM. Yet, as participants acknowledged impacts of CM campaigns to be limited and such campaigns to be conducted for marketing reasons, more CSR efforts and long-term commitment seem to be required to arrive at a truly "good citizen" image and to actually better issues in the world. As analysis posed previous knowledge about a company to be retrieved when processing CM campaign stimuli and stimuli information to be integrated with existing knowledge, this campaign format appears to be especially promising for companies that have previously established an altruistic image among its Millennial consumers. Nevertheless, as Millennial participants indicated CM to be better than doing nothing even if marketing reasons are understood, CM appears to be a relevant campaign format for companies targeting this specific group.

#### 6.3 Limitations

The research approach of this thesis was of qualitative nature and semi-structured in-depth interviews were held with a relatively small sample of twelve Millennial participants, who were selected by convenient sampling. Consequently, findings cannot be generalized to a larger population or respectively the Millennial age cohort as a whole. Additionally, it needs to be considered that perception is a highly individual process, which depends on one's individual background and experiences. Thus, findings were unique to participants and not to be generalized. Considering data adequacy, the sample was restricted to Millennial students, aged between 22 and 28 years old. Since differences to other Millennial cohort members were not considered, findings are limited by sample diversity.

Moreover, the thesis is limited in the sense that, to explore Millennials' perception of CM, it was chosen to use a visual aid in form of a print advertisement for a CM-product. Participants' perception of CM activities might differ between the interpretations of print advertisement stimuli and stimuli present at the POS, such as on-product communication. In this context it also needs to be borne in mind that the in-depth interview situation made participants elaborate on views and thought processes that often happen on a subconscious level at the POS. Decisions at the POS, especially for FMCG products (such as SNEEZIES tissues), are often made quickly and do not require long thought processes. Consequently, findings in "real-life settings" may differ. Additionally, findings may be limited since a fictitious brand has been used in the interview set-up. Although brand bias could be avoided, findings suggest that participants' preexisting brand/company images influence their perception. Subsequently, findings do not include the influence of this stimulus factor.

Further, taking into account the interpretivist research perspective underlying this study, it needs to be understood that the researcher was an integral part of the data collection and analysis process. Therefore, potential researcher bias may have affected the results of this study. However, subjectivity throughout the data collection and analysis process was

reduced by using mainly preset questions and visual aids that enhanced objectivity in the interview process and by analyzing interview findings together and providing participants' quotes to make interpretations comprehensible. Still, also considering that interviews are highly situational and influenced by the interviewer, occurrence of exact same results, if repeated, is unlikely.

Lastly, potential social desirability bias may have affected the results of this study. Specifically when asked about previous volunteering or donation behavior participants may have felt uncomfortable and answered unfaithfully. Though this possibility needs to be considered, especially choosing a convenient sample and starting from a situation where high trust between participants and the interviewer existed, limited the effect of social desirability bias.

#### 6.4 Future Research

As a starting point to better understand how CM resonates with Millennials, this thesis explored Millennials' perception of CM and the different stimulus factors related to the cause and donation. Guiding attitudes and behavioral responses, consumers' perception is crucial to understand. Yet, though guiding attitudes and behavior, other factors may influence them. Consequently, in order to comprehend Millennials' resonance with CM, it is suggested to further study Millennials' attitudinal and behavioral responses to CM. Contrastingly to this study, which was of qualitative nature and findings were not generalizable, it is suggested to approach future studies on a quantitative level allowing for higher level of generalizability to the Millennial age cohort as such.

Moreover, as stated in the limitations of this study, transferability of the findings to real-life settings at the POS is limited because of the small sample size, the artificial and situational interview setting and the focus on a print advertisement. Consequently, further (experimental) studies in real life settings at the POS are suggested. In this sense, also preexisting levels of brand awareness and attitudes could be taken into account, which were found to influence participants' evaluation of CM.

Another limitation of this thesis was the distinct sample of Millennial students aged between 22 and 28 years old. Acknowledging that there are differences between individuals of distinct life stages, it can be assumed that findings also differ between the different Millennial age groups. Especially the oldest life stage within the Millennial cohort, accountable 25-34 year olds who started a family, may differ as they may be more concerned about the impact of their purchases and on average have higher levels of disposable income (Nias, 2013). Consequently, considering their higher purchasing power, it is suggested to specifically take this age group into account for future research.

The findings of this thesis suggested that Millennial participants' overarching need for transparency and their skepticism affected perception of CM and the different associated stimulus factors. Therefore it is suggested to investigate mechanisms and tools that help increase transparency and reduce skepticism. These findings can consequently be used for the set-up of CM campaigns that resonate well with the Millennial age cohort.



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# **Appendix**

The appendix provides additional materials relevant to the thesis. Specifically a chart with details from the literature review including the articles reviewed, naming of the CM stimulus and individual factors under consideration as well as a brief description of each study's findings is made available. Moreover, an outline of the topic guide used for the semi-structured in-depth interviews and lastly all adapted SNEEZIES advertisement versions that served as a visual aid throughout the interviews is included.

Interview recordings, transcripts of each interview and the table derived from content analysis including paraphrased responses of participants, concluded insights, assignment to categories and the potential match with existing theories are not included in the appendix but are available upon request.

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# **Appendix I: Systematic Literature Review Overview**

Main factors selected for study stimulus (D = donation and C = ause) and individual factors	STIMULUS Cause fit (C) INDIVIDUAL Skepticism (trust)	INDIVIDUAL Skepticism Familiarity with campaign format	STIMULUS Donation description (D)	INDIVIDUAL Skepticism	STIMULUS Cause fit (C) INDIVIDUAL Skepticism
Findings	Functional cause fit positively influences a company's perceived expertise but it does not influence trustworthiness.  Image cause fit positively influences trustworthiness. not impact expertise.  Regarding consumer skepticism, attributions of more altruistic motives increase consumers' turstworthiness of the campaign and consumers tend to ascribe higher expertise to the consumer. Overall, low level of consumer skepticism positively influence consumers' attitudes towards CM  High levels of trustworthiness positively influence attitudes towards CM.	The study was conducted in Malaysia. It was found that Malaysians are only to a <b>limited amount skeptical</b> towards CM campaigns (influenced by cultural value of giving). The limited skepticism contributes towards a <b>positive attitude</b> towards CM. <b>Level of skepticism</b> influences interpretation of CM stimulus and can be reduced through increasing <b>knowledge and awareness of CM campaigns</b> in general (repetition or mere exposure).	Donation indication in % is perceived as significantly more pleasant than a donation indication in USD especially for hedonic products. This is as the indication in % is rather perceived as if company gives away part of revenue whereas an indication in USD is perceived as an extra that customer has to pay for charity.	Consumer skepticism (perceived company motivation) can influence purchase intention:  When no differences between two choices exist, perceived cause supportive motivation influence purchase intention positively.  When differences between choices exist and tradeoffs need to be made, the advantage of a positively perceived, cause supportive motivation is tempered and only applies when trade-offs are low.	It was found that a better perception of company motives results in stronger cause fit. Yet if motives are perceived negatively, cause fit is not that impactful for the overall evaluation of CM.  Moreover, a good company-cause fit helps to overcome unfavorable cause attitudes. However, if preexisting cause attitudes are favorable, fit does not have an impact on the evaluation of CM.
Effect of researched stimulus/individual factor (dependent variable)	Trustworthiness of company (extend to which one can rely upon company)  Perceived company expertise (how capable company is in delivering)  Attitude towards CM	Attitude towards CM campaign	Perception	Purchase Intention	Attitudes towards CM
Researched stimulus or individual factor (independent variable)	Cause fit (high vs. low)  Perception of company's motives/skepticism (cause supportive (altruistic) vs. cause exploitive (egoistic))	Perception of company's motives/skepticism (cause supportive (altruistic) vs. cause exploitive (egoistic)) Familiarity with campaign format (novel vs. marketing savvy)	Product type (hedonic vs. utilitarian)  Donation description (percentage vs. absolute amount)	Perception of company's motives/skepticism (cause supportive vs. cause exploitive)  Trade-offs in choice (different brands offered are similar in prices and/or performance vs. different brands offered vary in prices and/or performance)	Cause fit (high vs. low) Pre-existing cause attitude (positive vs. negative) Perception of company's motives/skepticism (cause supportive (altruistic) vs. cause
Year	2010	2012	2010	2000	2007
Author	Alcañiz, Cáceres & Pérez	Anuar and Mohamad	Baghi, Rubaltelli and Tedeschi	Barone, Miyazaki and Taylor	Barone, Norman and Miyazaki



	exploitive (egoistic))			
2006	Cause fit (high vs. low) Pre-existing organizational attitudes (company and NPO) (positive vs. negative)	Attitude towards alliance Attitude towards alliance	Higher fit generally improves consumer attitudes toward the company and the alliance. When organizations did not fit, more negative attitudes towards alliance were expressed.  If pre-existing attitudes towards both, company and NPO, are positive, attitude towards alliance is more positive. If pre-existing company attitude are negative, CM regardless of attitude towards NPO does not help to positively change consumers' attitude towards the company.	STIMULUS Cause fit (C)
2008	Donation description (percentage vs. absolute amount) Donation size (small vs. high amounts) Product price (low priced products vs. high priced products) Product type (hedonic vs. utilitarian)	Behavioral intention (purchase intention and intention to recommend)	Assuming similar donation size, donation indication in absolute dollar value is more effective than if stated in a percentage number. This holds especially true for low-price products.  Smaller donation size leads to higher behavioral intention than higher donation size.  Behavioral intention for CM-labeled low-priced product is higher than for CM-labeled high-priced product (as for high-price consumers perceive exploitation of cause to justify higher prices).  CM effectiveness is higher for hedonic products.	STIMULUS Donation description (D) Donation size (D)
Chéron, 2012 Kohlbacher and Kusuma	Cause fit (high vs. low) Campaign duration (short (1 month) vs. long (5 years) Gender (male vs. female) Engagement in pro-social behavior (customers' that previously engaged in philanthropic activities vs. customers that did not previously engaged in philanthropic activities)	Purchase intention Brand image Perception of company's motive/skepticism	Consumers responded more positively to CM campaigns when cause fit was high. High fit positively influenced purchase intention.  Campaign duration did not impact consumer's purchase intention.  A high cause fit and a longer campaign duration positively impacted the brand image.  The company's motives to engage in the CM campaign was perceived more cause supportive when a high cause fit and a longer campaign duration was evident. Especially campaign duration was found to positively influence the perceived motives to engage in CM.  Women showed more favorable responses (higher purchase intention and more positive brand image) towards CM than men. While they were stricter in evaluating a company's motives to engage in CM.  Customers with previous pro-social engagement tended to show higher purchase intention when brand-cause fit was high than those without previous philanthropic engagement. This was the opposite, when brand-cause fit was low, suggesting that they care more about the fit of the CM activity.	STIMULUS Cause fit (C) INDIVIDUAL Gender Skepticism Engagement in pro-social behavior
Cui, Trent, 2003 Sullivan and Matiru	Cause immediacy (disaster vs. ongoing) Cause proximity	Attitude towards CM Purchase intention	It was found that the support of current disaster causes is more associated with altruistic behavior and therefore CM is evaluated more positively.  Regarding cause proximity, local and global causes lead to same	STIMULUS Cause proximity (C)

		(global vs. local)		CM exaluation.	Campaion
		(Score to			duration (D)
		Campaign duration		Kepeated campaign format and long campaign duration is	dulation (D)
		(one time vs. ongoing/repetition)		associated with commitment and higher altruistic motives.	Cause immediacy
		Socio-demographic factors (age, gender, population of home town,		Regarding different socio-demographic factors, it was found that females are more positive than male toward CM, social science	(C)
		college major, year in college, employment status, parents' annual income and		students have a higher attitude as they are familiar with social issues (consumer-cause fit). Income of parents, population of	INDIVIDUAL
		residency)		hometown, year in college, employment status and residency did not	Gender
		Engagement in pro-social behavior		have a significant effect on respondents' evaluations of CM.	Consumer-cause
		(previous donation activities)		<b>Previous donors</b> (engagement in pro-social behavior) had a better attitude rowards CM.	fit
				Overall, those showing a more <b>positive evaluation</b> of a CM campaign have a <b>greater purchasing intentetion</b> than those with a less positive evaluation.	Engagement in pro-social behavior
Ellen, Mohr	2000	Cause immediacy	Attitude towards CM campaign	It was found that a more immediate cause such as a disaster cause	STIMULUS
and Webb		(disaster vs. ongoing)	Perception of company's	elicits more positive attitudes as it is perceived as more altruistic to	Cause fit (C)
		Cause fit (high vs. low)	motive/skepticism	support. Consumers are <b>more skeptical</b> if a company supports an <b>ongoing</b>	Donation description (D)
		Campaign duration		cause.	(_)I
		(commitment: one time vs.		An incongruent cause fit was frequently perceived as more	Campaign duration (D)
		ongoing/rependon/		artuisue and inereiore respondents nad a better attitude towards CM campaign.	Cause immediacy
		(monetary vs. non-monetary)		Cash donations are perceived as less effort for the company and	(C)
				therefore result in less positive attitudes towards the campaign as	
				compared to non-monetary donations.	TATATATATAT
				It was further found that <b>long-term and short-term</b> campaigns elicited the <b>same attitudinal response</b> .	Skepticism
Landreth	2007	Cause proximity	Attitude towards CM campaign	Less involved consumer (low consumer-cause fit) show significantly	STIMULUS
Garretson		giobai vs. iocal) Consumer-cause fit	Purchase intention	vith the cause (high consumer-cause fit). However, with regards to	Cause proximity (C)
Folse		(low vs. high)		campaign attitudes, both consumer groups indicated <b>similar levels</b> of attitude towards the campaign	
		Message framing		of attitude towards the campaign.	TATIONAL
		(negatively vs. positively, eg. focusing on		Regarding cause proximity, CM campaign attitudes were sienificantly higher for those that supported a local (national)	INDIVIDUAL  Consumer-cause
		death rates and negative outcomes to be avoided vs. focusing on survival rates as positive outcomes to be gained)		cause. Regarding <b>purchase intention</b> , a tendency towards local cause supporting campaigns was observed (yet not statistically significant).	fit
				Viewing the effects of cause proximity in context with consumer-	
				cause fit, it was found that campagn attitudes and purchase intentions were greater for those less involved with the cause when the suncorted cause was a local one. For kinder involved customates	
				the supported cause was a focal one. For inguer involved customers,	

	STIMULUS Donation size (D)	STIMULUS Cause-fit (C) INDIVIDUAL Skepticism Consumer-cause fit	INDIVIDUAL Skepticism (Trust)	STIMULUS Donation description (D) INDIVIDUAL Skepticism
cause proximity did not impact attitudes and purchase intention (consumer-cause fit influences attitudes and purchase intention to higher degree than cause proximity).  For high-involved consumers, message framing (positive vs. negative) did not impact attitudes towards the campaign or purchase intentions. For low-involved consumers, positive message framing produced more positive attitudes towards the campaign. Purchase intention however, was not impacted by the message framing for less-involved consumers.	Purchase quantity impacted how a customer views a company's motive. If a donation only became effective once multiple products were purchased, the campaign was rather perceived as exploitive. This also led to reduced purchase intention. Thus, purchase quantity negatively impacts purchase intention.  Donation size was found to positively impact how a customer views a company's motive. This also led to higher purchase intention.	Company-cause fit positively influences the attitude towards alliance and generates a higher purchase intention. When consumer-cause fit is high and consumers have a pre-existing positive attitude toward the company, attitudes and purchase intention is even higher.  Consumer skepticism about company motives (cause exploitive/egoistic) had no impact on purchase intention. Willingness to purchase CM products is not impacted by perceived company's motives.	Consumers' trust in a product (retailer) specific CM campaign increases consumer's loyalty. Moreover, general trust in CM campaigns, a factor that cannot be controlled by the company (retailer), significantly influences the level of trust in a specific campaign.	A company's previous engagement in pro-social behavior and message can cause skepticism. It was found that customers tend question the motives and disbelief ad claims (2 factors of skepticism) and thus are more skeptical when low CSR effort companies practice CM.  It was further found that consumers respond more positively if claims are verifiability and objective (stating donation amounts in verifiable and precise manners heightens claim credibility and reduces skepticism).
	Purchase intention Perception of company's motive/skepticism	Purchase intention Attitude towards alliance	Loyalty Trust into a specific CM campaign	Perception of company's motive/skepticism Responses towards CM
	Purchase quantity (donation per product purchased vs. donation is only triggered when multiple products are purchased)  Donation size (small vs. high amounts (USD 0.05, USD 0.20, USD 0.80, USD 3.20))	Cause-fit (high vs. low) Consumer-cause fit (high vs. low) Pre-existing organizational attitudes (company) (postive vs. negative) Perceived company's motives/skepticism (cause supporive (altruisic) vs. cause exploitive (egoistic))	Trust regarding a specific CM campaign/skepticism (high vs. low) Trust regarding CM campaigns in general/skepticism (high trust vs. low trust)	Engagement in pro-social behavior (company's general level of CSR efforts)  Donation description (vague vs. precise)
	2010	2006	2015	2009
	Garretson Folse, Niedrich and Landreth Grau	Gupta and Pirsch	Hartmann, Klink, and Simons	Kim and Lee

STIMULUS  Donation size (D)  Cause fit (C)	INDIVIDUAL Consumer's d motives Skepticism	s STIMULUS Cause proximity			1	STIMULUS Cause fit (C)	10	STIMULUS Donation description (D) Donation size (D)
CM activities generally lead to higher WTP. However, higher donation amount does not lead to higher WTP. WTP rather depends on several factors.  High levels of customer's altruistic (desire to help others) and warm glow motives nositively influence WTP when donation	size is high.  The effect of cause fit on WTP is mediated by the customer's perceived motive of the company. High donations are perceived as more sincere, whereas low donation amounts are perceived as more exploitive. If brand-cause fit is low, the donation size and consequently the perceived motivation are of higher where	Inportance, ngnet donations in this case positively intuente written so they brand-cause fit, perceived company motives do not affect the positive relationship of donation size and WTP.  Evaluations of a CM campaign differ by countries at different stages of economic development and maturity of advertising industries.	Indians have <b>more positive attitudes</b> toward CM campaigns than Americans, because CM is more novel (strongest driver) for Indians and they do not have as much <b>knowledge</b> about the persuasive intent of adversing and have not been that much exposed to this campaign format. This leads into a higher perception of altruistic company motives. Americans being more marketing savyy, are more skeptical and evaluate CM less positively.	Collectivist culture makes Indians have a <b>better attitude</b> towards CM, brand and company if a <b>local company</b> engages in CM. <b>Cause proximity</b> does not impact attitude towards CM.	For attitude toward the brand and purchase intentions, there were no differences among the cause types, but cause itself might be guiding the purchase intention.	Consumers' attitude towards the alliance impacted their post attitude towards the company and the NPO.  Fit improves consumer attitudes toward the alliance, which consequently positively influences their attitudes towards the NPO and the brand.	High cause familiarity positively influenced consumer's attitude towards the alliance. Consequently post-campaign attitudes towards brand and NPO are also influenced by cause familiarity.	When comparing exact, estimated and abstract quantifiers (\$ amount vs. 10% of net profits vs. no exact amount, only that it is being donated s.t.), it was found that the exact amount is most trustworthy and hence are less skeptical (learn what donation can accomplish, direct effect measurable, exact amount can be verified)
Purchase intention (Willingness to Pay (WTP))		Attitude towards CM campaign			Attitudes towards company Purchase intention	Attitude towards alliance Organizational attitude (company and NPO)		Perception of company's motive/skepticism Attitude towards CM campaign Trustworthiness
Donation size (small vs. high amounts) Consumer's motives (altruistic/warm glow vs. egoistic)	Cause III (high vs. low)  Perception of company's motives/skepticism (cause supportive (altruistic) vs. cause exploitive (egoistic))	Cause proximity (global vs. local)	Geographic scope of company (national vs. multi-national company)  Perception of company's motives/skepticism (cause supportive (altruistic) vs. cause exploitve (egoistic))	r annany wan campagn tonnat (novel vs. marketing savvy)	Cause type (health cause, human services cause, animal cause, environmental cause)	Cause fit (high vs. low) Cause familiarity (high vs. low)		Donation description (vague - no absolute amount, only a donation is triggered vs. estimated - a % of profit will be donated vs. exact - absolute
2012		2013			2014	2004		2007
Koschate- Fischer, Stefan and Hoyer		La Ferle, Kuber and	Edwards		Lafferty and Edmondson	Lafferty, Goldsmith and Hult		Landreth Grau, Garretson and Pirsch

		amount)  Donation size (small vs. hich amounts)		and the <b>other options</b> make the amount actually donated ambiguous and <b>less trustworthy</b> . Overall, <b>consumers prefer tangible information</b> .	INDIVIDUAL
		Donation deadlines and caps (end date and maximum of donation)		Regarding donation size (relative to product price), smaller amounts make consumers more skeptical regarding a company's motive to engage in CM.	Skepucism (motive and trust)
		ECVEL OF PROBLEMS OF RESURES		Consumers further accept campaign deadlines as being reasonable. Also donation caps are accepted, yet they elicit higher consumer skepticism.	
				Regarding the communication of CM campaign results, it is agreed that they are best published on a website.	
Langen, Grebitus and Hartmann	2010	Donation size (small vs. high amounts)  Transparency (communication of donated amounts on the product packaging)	Attitude towards CM	Regarding the level of donation size (in relation to product price), there is a gap of expected vs. requested amount. Regarding costumers requirement of CM donation size it was found that customers generally feel that CM donations should be higher. Women request a significantly higher CM donation size than men.	STIMULUS Donation size (D)
		3		Consumer's <b>who request high donation sizes are less likely to be positive about CM</b> , because they perceive actual donation sizes to be rather low.	
				Consumers have a high need for transparency. They request to be informed about the donation size that is contributed to the cause. This holds especially true for women and well-educated customers.	
Moosmayer and Fuljahn	2010	Donation size (small (0.25 cent) vs. high amounts (10 cent))	Perception of company's behavior Attitude towards product	Women have a significantly more favorable perception of the companies' behavior, attitude towards the product and they show a better attitude towards campaign.	DONATION Donation size (D)
		Gender (male vs. female)	Attitude towards CM campaign	Higher donation size significantly and positively influenced consumers' attitude towards the CM campaign.	INDIVIDUAL Gender
				Looking at men and women in the context of donation size it was found that the <b>donation size mainly influences female responses</b> whereas higher donations merely increased male response.	
Müller, Fries and Gedenk	2014	Donation size (small vs. high amounts)  Donation description (monetary vs. non-monetary)	Purchase intention (brand choice) Attitude towards company (brand image)	Regarding brand choice, the effect of donation size is moderated by the financial trade-off the consumer faces. This is the consumer does not have to choose between contributing a donation or saving money. If no trade-offs are faced, higher donation size triggers	STIMULUS Donation size (D) Donation
				more positive response, this effect reverses if a frade-off is faced. Regarding donation description, it is found that consumers often cannot judge the value of donations that are expressed in non-imonetary terms. Customers often view non-monetary donations to require higher company effort. Regarding brand choice, framing in non-monetary terms is slightly more effective than a combined or purely monetary description.	(a) words on
				Donation description moderates the effect on brand image.	

				When framing is non-monetary, the brand image increases with higher donation magnitude. When framing is monetary, higher donations are less favorable for brand image.	
Myers, Kwon 2 and Forsythe	2012	Cause fit (high vs. low) Campaign focus (product-focused vs. cause focused) Perception of company's motives/skepticism (cause supportive (altrustic) vs. cause exploitive (egoistic))	Attitude towards alliance	A customer's perceived motive of a firm to engaged in CM impacts the resulting attitude the customer has towards the alliance. If a brand is perceived to act upon more altruistic motives, attitudes are more favorable.  If the consumer perceives altruistic motivations, attitude towards If the consumer perceives altruistic motivations, attitude towards are alliance is positively influenced by high cause fit.  Campaign focus did not significantly impact consumers' attitude towards the alliance. Moreover, the campaign focus did not impact a customer's perceived brand motivation.	STIMULUS Cause fit (C) INDIVIDUAL Skepticism
Nan and Heo	2007	Cause fit (high vs. low) Consumer's brand familiarity (high vs. low)	Attitude towards CM campaign Attitudes towards brand Attitude towards company	An ad with CM activity elicits more positive attitudes towards the brand, than a similar ad without CM activity, regardless of the cause fit. Yet, high cause fit is more beneficial as it was found that if the brand-cause fit is high, it can further elevate consumer attitudes toward the CM campaign.  This effect however, is mediated by the customer's brand familiarity: If the consumer is high in brand familiarity, the cause fit positively influences consumer's attitudes. If the consumer's brand familiarity is low, cause fit does not impact consumers' attitudes towards the advertisement.	STIMULUS Cause fit (C)
Olsen, Pracejus and Brown	2003	Donation description (vague (percentage of profit) vs. precise (percentage of profit))  Transparency (communication of actual donated amounts)	Attitude towards CM campaign Purchase intention	It was found that expressing a donation in a vague manner (% of profit) leads to overestimation of actual donation size and confusion (calculation errors = profit % = donation %).  Moreover, it was revealed that higher donation percentages can positively affect attitudes and purchase intentions. Another finding was that consumers do not differentiate between price and profit percentages. In this sense, for a company it is more effective to describe donations in terms of percentages of profit (stating the 1.50% donation as 10% of profit instead of 1% of price can increase attitude and purchase intention).	STIMULUS Donation description (D)
Pracejus, Olsen, and Brown	2003	Donation description (vague – a percentage will be donated vs. estimable – X% of profit will be donated vs. calculable – X% of price will be donated) Donation size (small vs. high amounts)	Consumers' estimation of donation size Purchase intention (brand choice)	Estimation of donation size varied significantly between individuals when exposed to a vaguely formulated ad. Yet, it was found that estimates of donation size are also highly dependent on the particular wording or message framing. For instance, stating that a portion will be donated instead of only stating that a portion will be donated lead to absolute monetary customer estimates that were more than double.  The donation size can have significant and positive impact on consumer choice (purchase intention).	STIMULUS Donation description (D) Donation size (D)
Robinson, Irmak, and	2012	Cause fit (high vs. low)	Purchase intention (WTP)	Choosing among a variety of causes (cause fit) is helpful for increasing high collectivist customer's perception of personal role in	STIMULUS Cause fit (C)

Tavachandran		Canse selection		supporting the cause. This increases their nurchase intention	
		(company chooses cause vs. customer chooses cause)		The positive effect of letting customers choose the causes is more effective regarding purchase intention when the cause fit of the options available is low. If cause fit of options is high, cause selection is less relevant.	
Ross, Stutts, and Patterson	1991	Gender (male vs. female)  Donation size (small vs. high amounts)  Cause proximity (global vs. local)  Cause immediacy (disaster/current vs. ongoing)	Purchase intention	58% of women and 46% of men would switch a brand because of CM if the CM-product is in the same category and thus, companies can attract customers from competitors in the same category if they practice CM.  47% said amount donated influences their purchase decision, 37% said they wouldn't be influenced.  Local causes are more likely to lead to purchase and immediate causes (disaster) or curing of diseases are more likely to be supported.	STIMULUS Donation size (D) Cause proximity (C) Cause immediacy (C) INDIVIDUAL Gender
Strahilevitz and Myers	1998	Product type (hedonic vs. utilitarian)	Purchase intention Attitude towards brand	CM is more effective with hedonic products – a more favorable attitudes towards brand and higher purchase intention is triggered.	1
Vanhamme, Lindgreen, Reast and Van Popering	2012	Cause type (primary vs. secondary needs) Cause proximity (global vs. local) Cause immediacy (acute vs. ongoing) Consumer-cause fit (high vs. low)	Consumer identification Attitude towards company (corporate image)	Primary need related causes (health, well-being, poverty, hunger, etc.) provoke higher levels of identification and better corporate image than secondary need related causes (environment, education, etc.).  Local (national) causes provoke better identification because of social exchange theory (I am more likely to benefit myself from causes close to me) but global (international) causes can result in a better corporate image (media coverage plays a significant role here). Evaluation of corporate image is independent of cause proximity (global vs. local).  Acute causes (disaster) provoke an only slightly better identification and corporate image because of high media attention and people's higher imagination capabilities w/ carth quakes instead of dying from a long desease and attribution theory (victims of sudden causes don't carry personal responsibility)	STIMULUS Cause proximity (G) Cause immediacy (G) INDIVIDUAL Consumer-cause fit
Webb and Mohr	1998	Perception of company's motives/skepticism (cause supportive (altruistic) exploitive (egoistic))  Donation description (percentage vs. absolute amount)	Attitude towards company Purchase intention	CM elicits more positive attitudes toward a company, yet only limited increase in purchase intention (compared to those not supporting a cause). The more important traditional product attributes are to a consumer, the less likely is he to change products due to CM.  Level of skepticism (differing across consumer groups) impacts the response towards CM – the more skeptical an individual is the less likely is he to respond positively to CM campaigns. In general it was found that consumers are becoming more skeptical about the motives of companies supporting a cause/CM.	STIMULUS Donation description (D) INDIVIDUAL Skepticism

				Donation size has a greater impact on responses towards CM campaigns than the perceived motives/level of skepticism. Disclosing absolute amounts can further reduce skepticism.	
oun and im	2008	Consumers' motives (alruistic/warm glow/ desire to help others vs. egoistic/not concerned about what	Attitude towards CM	The study found that different individual (especially psychographic factors are important in attitude formation and support of CM.  Recording consumers, control and a feelings of one's personal	INDIVIDUAL Consumers' motives
		others think/self-interest)  Control and impact (actions lead to predicted outcome,		regarding country forms who are less confident about personally being able to <b>enforce change</b> are in <b>higher favor of CM</b> as they count on the power of others to do good (easy way).	Control and impact
		confidence that one can enforce change vs. actions do not lead to predicted outcome, less confident about enforcing change)		Regarding consumers' motives it was found that the more altruistic minded and the more one is concerned one is about what others think the higher is the attitude towards CM and	Irust and perceived company's
		Trust regarding CM campaigns / skepticism (high trust, belief others are honest vs. low rrust/disbelief in other's honesty)		according support.  Consumers who indicate higher trust into CM efforts and that actions are actually taken were found to be more supportive of a Monocore it was found that if must is high consumers tend to	motive/ skepticism Engagement in
		Perception of company's motives/skepticism (cause supportive (altruistic) vs. cause exploitive (egoistic))	-	question a company's motive less and magnetorial according to belief in the philantrophic motives of company. Lastly it was found that those who are more negative of traditional advertising are less skeptic about CM efforts.	pro-social behavior Gender
		Engagement in pro-social behavior (civic-mindedness, high interested in pro- social activities and previous participation		Consumers' <b>engagement in pro-social behavior</b> and high level of evric-mindedness <b>positively impacted attitudes towards CM</b> and likelihood of engagement in CM to express one's social stance.	
		vs. customers that are less concerned about personal social responsibility have not yet engaged in pro-social behaviour)  Gender		Regarding other socio-demographic factors, it was found that demographics play a rather weak role in CM evaluation. Generally younger people tended to be slightly more positive about CM and higher education levels often were related to higher.	
		(male vs. female)  Other socio-demographic factors (social network, religion, age, education level, income)		engagement in pro-social behavior. Lastly it was found that the pro- social mindset of one's social network influenced customer's individual level of pro-social behavior. Gender was not found to impact consumer response.	
		(			

## **Appendix 2: Interview Topic Guide**

#### Introduction:

- 1. Assessment of individual factor "Control/impact" and "Engagement in pro-social behavior":

  There are a variety of disaster, political and social imbalances as well as environmental issues and poverty that affect people around the world. Can you think of a way to approach or reduce these issues? Who do you think are main actors? Who do you think is in charge? Do you think that you as an individual can contribute to improve the situation? Have you engaged in pro-social behavior (e.g. donation, volunteering)?
- 2. Assessment of individual factor "familiarity with campaign format": Are you familiar with the marketing activity where a company promises to donate a specific amount to a NPO or cause when you purchase their specific product? Please provide examples (clarify questionable examples and provide them with examples if they cannot provide one).
- 3. Assessment of "general perception of CM" and individual factor "Skepticism": How do you generally view or feel about this campaign format? Do you think that you are influenced by this kind of marketing activity (where a company supports a designated cause only once you buy a specific product)?
- 4. Assessment of individual factor "Consumer's motive": What benefits do you see for yourself when engaging? How do you feel when engaging (external vs. internal benefits)?
- 5. (Assessment of demographic factors such as "age" and "gender" on the go)

#### Step-by-step assessment of Millennials' perception:

- 1. Introduction to SNEEZIES campaign on a general level
  - SNEEZIES, a fictitious company that sells tissues (relevant FMCG product, reduction of biases due to missing experience with fictitious brand)
  - Promotion of tissue box (price \$1.49) in form of CM
  - Information in advertising that donation to a fictitious NGO is bound to purchase of this specific tissue box
- 2. Adaptation of advertising to assess different factors

Stimulus factor	Set-up	Question guide	Probing individual factors (if applicable)
Donation description	Information text in advertisement: 1. 30 cents are donated 2. 20% is donated 3. a portion of sales is donated 4. an influenza vaccination is donated	perception of different set-ups     comparison of different set-ups     reasons behind answers	- Skepticism
Donation size	Information text in advertisement: 1. 5% is donated 2. 25% is donated	perception of different set-ups     comparison of different set-ups     reasons behind answers	- Skepticism
Campaign duration	Information through interviewer:     Campaign is repeated every year and always runs for 3 months (Oct Dec.)     One time only campaign for 3 weeks	perception of different set-ups     comparison of different set-ups     reasons behind answers	- Skepticism
Company- cause fit	Information text and visual in advertising:  1. Donation is made to fight influenza  2. Donation is made to save stray dogs	perception of different set-ups     comparison of different set-ups     own suggestions for alternative that improves perception     reasons behind answers	Skepticism     Consumer-cause fit     Engagement in prosocial behavior     Consumer's motive
Cause proximity	Information through interviewer:     Donation is made to local kindergarten     Donation is made to international kindergarten in Brazil	- perception of different set-ups - comparison of different set-ups - reasons behind answers - do you feel this is more relevant/tangible for you?	Consumer's motive     Consumer-cause fit     Engagement in prosocial behavior
Cause immediacy	Information through interviewer:  1. Donation is made to fight Ebola  2. Donation is made to fight AIDS	- perception of different set-ups - comparison of different set-ups - reasons behind answers	- Skepticism - Consumer's motive - Engagement in pro- social behavior

#### **Concluding questions:**

- 1. What element or factors do you feel are most important for the CM activity to appeal to you? Why?
- 2. Anything else you would like to add?

## **Appendix 3: SNEEZIES' Generic Advertisement**



# Appendix 4: SNEEZIES' Advertisement – Adaptations for Assessment of Stimulus Factors Related to the Donation



**Donation description**: Vague description



**Donation description**: Precise description (percentage)







**Donation description**: Precise description (product donation) **Donation description**: Precise description (monetary)



Donation size: Low donation magnitude



Donation size: High donation magnitude

# **CAMPAIGN DURATION** 1. Campaign is repeated every year and always runs for 3 months (October – December) 2. One time only campaign for 3 weeks

Campaign duration: Short versus long campaign duration

# Appendix 5: SNEEZIES' Advertisement – Adaptations for Assessment of Stimulus Factors Related to the Cause



Company-cause fit: High fit



Company-cause fit: Low fit



Cause proximity: Local cause support



Cause proximity: International cause support



Cause immediacy: Recent cause support



Cause immediacy: Ongoing cause support