

CUSTOMER RESPONSE TO MESSAGE FRAMING IN CAUSE RELATED MARKETING

KEYWORDS: CAUSE RELATED MARKETING, CONSUMER, MESSAGE FRAMING, WILLINGNESS TO PAY, REPUTATION, CONSUMER SOCIAL RESPONSIBILITY

A RESPOSTA DO CLIENTE À FORMA DE COMUNICAÇÃO DOS BENEFÍCIOS ASSOCIADOS AO MARKETING DE CAUSAS SOCIAIS

PALAVRAS-CHAVE: MARKETING DE CAUSAS SOCIAIS; CONSUMIDOR; FORMA DE COMUNICAÇÃO DE BENEFÍCIOS; INTENÇÃO DE COMPRA; REPUTAÇÃO; RESPONSABILIDADE SOCIAL DO CLIENTE

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Abstract

Organizational campaigns promoting Cause Related Marketing (CRM) have gained significance with regard to consumer participation. This is evident as business organizations have been found to express humanity and values in emotionally compelling ways so as to meet the expectations set by customers, other stakeholders.

Objectives: The paper attempts (a) To examine whether association of a product with a cause affects customers Willingness To Pay (WTP); (b) To ascertain whether message framing, reputation of the brand and Consumer Social Responsibility have an impact on WTP; (c) To determine the impact of message framing on WTP as moderated by reputation of the brand and Consumer Social Responsibility and the impact of Consumer Social Responsibility on WTP as moderated by reputation of the brand.

Methodology: A laboratory experiment was conducted manipulating message framing and reputation of the company. The experiment uses two levels of message framing and two levels of reputation and also measures Consumer Social Responsibility and WTP of the respondents.

Conclusion: The study reveals that association of a product with a cause increases customers' WTP. Consumer Social Responsibility has an impact on WTP. The impact of Consumer Social Responsibility on WTP is moderated by reputation of the brand.

Implications: The findings of this study may help the marketers as products linked to causes have pricing implications. Besides depending on the social responsibility of the target group, pricing can be varied by the marketer. Differential pricing depending on the reputation for target groups with different Consumer Social Responsibility can be adopted.

Resumo

As campanhas organizacionais que promovem o Marketing de Causas Sociais têm vindo a ganhar relevo no que respeita à participação dos clientes. As empresas comunicaram valores humanos de forma emocional de modo a ir ao encontro das expectativas dos clientes e de outros stakeholders.

Objetivos: O artigo visa: a) Avaliar se a associação de um determinado produto a uma causa afeta a intenção de compra dos clientes; b) Avaliar se forma de comunicação de benefícios, a reputação e a responsabilidade social dos clientes afeta a intenção de compra dos clientes; b) Identificar o impacto da forma de comunicação de benefícios na intenção de compra dos clientes, moderada pela reputação da marca e a responsabilidade social dos clientes; e ainda o impacto da responsabilidade social dos clientes na intenção de compra, moderada pela reputação da marca.

Metodologia: Foi realizado um estudo experimental em regime laboratorial, com manipulação da forma de

comunicação de benefícios e da reputação da empresa. O estudo usa dois níveis distintos para a forma de comunicação de benefícios e dois níveis de reputação, medindo ainda a responsabilidade social do cliente e a intenção de compra dos participantes.

Conclusões: O estudo revela que a associação de um produto a uma causa aumenta a intenção de compra dos participantes. A responsabilidade social dos consumidores têm impacto na intenção de compra e este impacto é moderado pela reputação da marca.

Implicações: Os resultados deste estudo podem ser úteis para gestores de marketing porque a ligação entre produtos e causas sociais tem impacto no preço destes produtos. Os gestores de marketing podem variar o preço mediante o grau de responsabilidade social dos clientes. Podem ainda adotar preços diferentes em função da reputação da marca para cada segmento alvo, e da responsabilidade social dos clientes.

1. Background

Over the last decade, a number of enterprises have implemented Cause Related Marketing (CRM) thus CRM is gaining in popularity, as marketers attempt to make a positive contribution to the communities on which they depend (Demetriou, Pappasolomou, & Vrontis, 2010). Marketing communications laced with social dimensions have assumed relevance (Drumwright, 1996). During the year 1983, American Express Company launched a Cause-Related Marketing Program (CRMP) in support of the renovation of the Statue of Liberty. Under this program American Express promised to donate a penny to the renovation for each use of its charge card and a dollar for each new card issued in the U.S. during the fourth quarter of 1983. The objective of this program was to increase card usage, increase the number of applications for new cards to be issued and at the same time raise money and awareness for the non-profit organization. American Express had a 28% increase in card usage over the same period in 1982 and a sizeable increase in the number of new cards issued. This \$6 million national promotion campaign resulted in a \$1.7 million contribution by American Express to the Statue of Liberty-Ellis Island Foundation. CRM gained popularity among marketers as it offers dual benefits of philanthropy and increased brand sales (Varadarajan & Menon, 1988). CRM is defined as "the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue providing exchanges that satisfy organizational and individual objectives" (Varadarajan & Menon, 1988 p. 60).

Bronn & Vrioni (2001) reported that one-third of Americans were of the opinion that price, quality and companies responsible practices influence their purchase decisions, if price and quality are equal Americans are likely to switch to a brand which is associated with a cause.

Vaidyanathan and Aggarwal (2005) stated that since long corporations have shown interest in using variety of marketing communication techniques for inducing compliance behaviour among their target audience.

CRM campaigns' should ensure that firms and partnering cause alliance focus on the factors that can encourage consumers to participate, since their behaviour plays a crucial role in impacting company sales and non-profit earnings (Grau & Garretson Folse, 2007).

Individualized messages from organizations are important to the consumers as they engage in purchasing goods from the company and thus donate their time, money and efforts in relation to their purchase activity (Adkins, 2011).

Cause Related Marketing makes use of firms communication through its advertising, packaging, promotions etc. their corporate social responsibility namely their alliance with a non-profit organization or support for causes. Thus the firm can draw attention of consumers wanting to make a difference in society through their purchasing (Bronn & Vrioni, 2001).

The manner in which a message is framed in an advertisement linking a product to a cause can have an impact on the consumers. The influence of donation proximity and message framing cues on the less involved consumer was studied by (Grau & Garretson Folse, 2007). How customers process cause-focused messages that involve emotional appeals was investigated by (Chang C.-T., 2011). Primarily this study investigates whether association with a cause increases consumers' Willingness To Pay (WTP). Although message framing using vague quantifiers in advertising copy formats, affecting consumers' estimates of the amount being donated, has been studied by (Pracejus, Olsen, & Brown, 2003), impact of message framing on WTP has not been studied in the context of Consumer Social Responsibility. This research seeks to address this gap.

2. Research Objectives

This research attempts to find whether association of a product with a cause increases Willingness To Pay (WTP), how the message framed in an advertisement could affect customer's Willingness To Pay for a product associated with a cause, when the customer's role is manifested in a direct manner or when the role of the customer is manifested in an indirect manner (company direct).

Specifically this research strives:

- a) To examine whether association of the product with a cause affects customers' Willingness To Pay (WTP).
- b) To ascertain whether message framing has an impact on WTP.
- c) To examine whether reputation of the brand has an impact on WTP.
- d) To explore whether Consumer Social Responsibility has an impact on WTP.
- e) To determine the impact of message framing on WTP as moderated by reputation of the brand and Consumer Social Responsibility and to determine the impact of Consumer Social Responsibility on WTP as moderated by reputation of the brand.

3. Concepts and development of hypotheses

Willingness To Pay (WTP)

Koschate-Fischer, Stefan, & Hoyer (2012) identified that cause related customer predispositions are important in the donation amount – WTP relation.

Willingness To Pay (WTP) is defined as the maximum amount of money a customer is willing to pay for a product or service (Krishna, 1991).

Koschate-Fischer, Stefan and Hoyer (2012) emphasized that the relationship between donation amount and WTP is of great significance because both have an impact on company profitability. A higher donation magnitude can be considered as more beneficial to customers in terms of contributions to social well being and creating a good feeling which in turn leads to higher WTP.

By linking small donations to purchase of products, marketers provide consumers a feel good factor about making a contribution irrespective of the amount of contribution, without making them feel bad that they are not giving more. It is noteworthy that the amount donated is determined by the seller of the product rather than by the buyer, thus the consumer is not likely to feel accountable for the amount contributed, only for the fact that a charity-linked product is supported through the purchase made (Strahilevitz, 1999).

Cause Marketing programs provide an opportunity to consumers to stand up for the beliefs they hold and publicly express their beliefs in and extend support to causes that are dear to them (Agarwal, Kumar, Gupta, & Tyagi, 2010).

Kanji and Chopra (2010) stated that consumers across the globe are becoming conscious of the environmental and social implications of their purchases and thus they consider these issues when they engage in the purchasing activity.

In their article on typology of consumer responses to CRM Webb and Mohr (1998) mentioned that at times a person may treat charitable giving separate from purchasing and may not be willing to purchase products linked to causes as the latter supports companies. Besides, there are also some consumers who focus on price, quality or convenience criteria when purchasing.

As studies show that consumers display support to social causes when they engage in purchasing activity and a large number of companies are adopting CRM, we felt the need to investigate whether consumers would be WTP more for a product associated with a cause irrespective of the nature of the product. Thus drawing support from literature on association of a product with a cause and Willingness To Pay we can hypothesize that,

H1: Association of a product with a cause increases customer's Willingness To Pay (WTP).

This implies that for the consumer cause is of significance and the consumer could be WTP in support of the cause.

Message Framing

CRM campaigns serve as a platform for gaining insights that help in understanding consumers' interpretation of promotions with social dimensions and exploring their behavioural responses to such corporate "do-gooding" (Webb & Mohr, 1998).

Duncan & Moriarty (as cited in Bronn & Vrioni, 2001 p. 215) defined Cause Related Marketing or Mission Marketing as "the ultimate brand contact, the manifestation of a company's mission and philosophy, which can drive communication campaigns and even strategy"

According to Lafferty and Edmondson (2009) CRM campaigns to a large extent make use of print ads as marketing communications tool.

Chang C. and Lee Y. (2008) stated that framing as a communication strategy is widely used by marketing campaigners.

Framing refers to the presentation of one of two different but equivalent value outcomes to decision makers, where one outcome is presented in positive or gain terms and the other in negative or loss terms (Chang & Lee, 2010).

The way information is labelled or framed can to a large extent be responsible for influencing individuals' judgments and decisions (Levin, Schneider, & Gaeth, 1998).

The manner in which the information within the Cause Related Marketing campaign is framed can appeal to the consumers, capture their attention and thus make them respond to Cause Related Marketing campaign (Grau & Garretson Folse, 2007).

The positive effects of product type in Cause Related Marketing may only occur when donation information is framed in absolute dollar terms or when the product has a lower price rather than information expressed in relative percentage of sales price. The objectives of marketers is to portray superiority to consumers and expedite their purchase decisions in a Cause Related Marketing context, and the essence of this strategy is that marketers stand to gain not just by changing the donation magnitude of advertising package but by introducing appropriate framing of their offered products in a manner that increases the probability of consumers purchasing a product linked to a cause (Chang & Lee, 2008).

Companies are expected to handle serious and persistent social ills of great concern, ranging from malnutrition and HIV to illiteracy and homelessness (Margolis & Walsh, 2003).

Basil & Weber (2006) demonstrate that individuals are of the opinion that companies must attempt to engage in corporate social responsibility activities.

Consumers expect companies to be socially responsible (Cone, 2007).

When a company undertakes a CSR initiative, the extent to which the consumers' perceive similarity of traits between the company and self, they are more likely to support the company (Lichtenstein, Drumwright, & Braig, 2004).

The amount of corporate charitable donation in CRM as a marketing strategy, is determined by consumer purchases of a specific product (Wymers & Samu, 2009).

Persuasive messages can be framed in such a manner that they make an individual recall one's hopes, goals, dreams, duties and ideals (ideal self-guide framing) or can be viewed in the context of one's duties, obligations, responsibilities and oughts (ought self-guide framing) (Evans & Petty, 2003).

When a person evaluates the content of the message positively, the feeling right experience has a positive impact on one's perception and thus the message is more likely to be persuasive (Dijkstra, Schakenraad, Menninga, Buunk & Siero, 2009).

Cause Marketing campaigns must recognize that its success and effectiveness to a large extent depends on whether the target customers are able to quickly and easily identify themselves with the core of such a campaign (Agarwal, Kumar, Gupta, & Tyagi, 2010).

Message framing in previous studies takes into consideration donation framing (Grau & Garretson Folse, 2007; Pracejus, Olsen, & Brown, 2003), temporal framing (Tangari, Garretson Folse, Burton & Kees, 2010).

However little is understood of how the message framed, incorporating the role of a consumer, company could impact consumers Willingness To Pay. The success of CRM campaign to a large extent depends on how the message is framed in a CRM advertisement. The message framed can favourably incline the consumer to purchase a product linked to a cause based on the consumer's perception of his/her role or the role of others while also taking into consideration the reputation of the company. Although conventional wisdom suggests that companies should support social causes as they have more resources to do so and thus consumers would expect companies to be socially responsible. Some studies mentioned above reveal that, how an individual perceives messages in terms of his/her responsibilities could result in making the message more persuasive for him/her. Thus we felt the need to study whether incorporation of roles in the message framed could have an impact on WTP as some consumers expect companies to be socially responsible while other may view social responsibility as their duty. Therefore we hypothesize that,

H2: Message framing in which the role of the company is manifested in a direct manner (customer indirect) will have higher WTP as compared to the message in which the customer's role is manifested in a direct manner.

This implies that how the message is framed could favourably or otherwise impact the consumers' WTP.

Reputation

Since long firms have strived to enhance their corporate image, create favourable attitude in the minds of consumers, achieve incremental sales by vigorously advertising their acts of philanthropy and sponsorship of worthy causes (Varadarajan & Menon, 1988).

Shapiro (1983) considered good reputation as a valuable asset owned by a firm.

"Reputation is a global perception of the extent to which an organization is held in high esteem or regard" (Weiss, Anderson, & Macinnis, 1999, p. 75).

Roberts & Dowling (2002) defines reputation as " a perceptual representation of a company's past actions and future prospects that describe the firm's overall appeal to all its key constituents when compared to other leading rivals ".

Popular brands that tie up with a charity would create a positive interaction between popular brand and charity (Wymer & Samu, 2009).

Fombrun & Shanley (1990) stated that established reputations themselves can go a long way in influencing actions of firms' stakeholders.

Chun (2005) mentioned that reputation provides a value judgment about an organization's qualities which emerge with time reflecting what the organization does and how it behaves.

Corporate reputation affects stakeholders' behaviour towards an organization, influencing factors such as employee retention, customer satisfaction and customer loyalty (Chun, 2005).

Reputation with regard to quality can influence buyers to pay higher price (Rao & Monroe, 1996).

Shapiro (1983) emphasized that higher prices linked to quality can be viewed as either return on reputation or as an incentive payment which producers of reputed products are likely to charge in order to maintain quality.

Dowling (as cited in Fombrun & Shanely, 1990) stated that corporate audiences routinely rely on the reputation of firms in making investment decisions, career decisions and product choices.

Klein & Leffler (1981) believe that reputations may offer or provide benefits. As consumers focus on quality and perceive high quality as worth premium price, favourable reputation may permit firms to charge premium price.

Reputation is an intangible asset that companies strive to build, it helps a company to face competition and secure the competitive advantage. Reputation gives greater visibility to a brand. From the literature cited above it appears that consumers are more likely to pay more for brands perceived by them as reputed. However more needs to be understood of how communication used in framing of messages could affect consumers' Willingness To Pay based on the reputation of the company. We thus felt the need to study whether reputation of a brand can result in higher WTP in a CRM context.

Thus we can hypothesize that,

H3: Reputation of the brand has a positive impact on customer's WTP.

This implies that WTP would increase if the consumers' perceive that the company is highly reputed.

Consumer Social Responsibility

Previous studies have attached great importance to the concept of Corporate Social Responsibility however 'Consumer Social Responsibility' needs attention in the context of CRM which this study attempts to provide.

Cause Related Marketing is suitable for a company marketing a publicly visible product as it would meet the needs of highly public self-conscious consumers while offering benefits to the company. Highly public self-conscious consumers would respond more favourably when publicly consumed products are linked to social causes. These consumers are conscious of making a positive

impression to others and differentiate themselves from others by consuming products aligned to social causes as means of boosting their self esteem or ego (Youn & Kim, 2008).

Identification with an organization engaged in good CSR practices can influence consumers' perceptions and this can contribute to consumers' self-esteem (Sen & Bhattacharya, 2001).

There is a growing tendency towards socially responsible consumption as individuals take into consideration social and environmental issues while making consumption choices (Gonzalez, Korchia, Menuet, & Urbain, 2009).

Buying products linked to social causes may be viewed as responsible behaviour displayed through consumption to those who attach great importance to personal and social responsibility (Youn & Kim, 2008).

Socially conscious consumer is defined as a consumer who takes into account the public consequences of his or her private consumption or who attempts to use his or her purchasing power to bring about social change (Webster Jr., 1975).

Socially Responsible Consumption includes purchasing products and services which are perceived to have a positive or less negative impact on the physical environment and /or the use of purchasing power to express social concerns (Lecompte-Francis & Roberts, 2006).

A socially responsible consumer would, therefore avoid buying products from companies that harm society and patronize products from companies that help society (Mohr, Webb, & Harris, 2001)

Extending support for social causes through a commercial activity of purchasing is a form of pro-social behaviour because it promotes social norms. Consumers differ in terms of needs, expectations this also implies that there is a distinctive segment that is passionate about consumer social responsibility (Youn & Kim, 2008).

Consumers' commitment to behave in a responsible manner can influence their attitude towards CRM. Individuals who behave responsibly usually tend to purchase products that support social causes (Youn & Kim, 2008).

In a competitive business environment, competition has increased as well as consumers' expectations from companies have also changed. Companies make efforts to meet the expectations of various consumers. This opens the way for research in consumer social responsibility in the context of CRM. There is need to identify and understand consumers who would engage in purchasing products linked to causes. We felt the need to understand whether perception of responsibility by the consumer would be carried forward by them not only in terms of purchasing a product linked to a cause but more so would it result in higher WTP. We can thus hypothesize that,

H4: Consumer Social Responsibility has a positive impact on Willingness To Pay (WTP).

This implies that consumers who perceive that he/she has a greater degree of responsibility in solving social problems or contributing to social well being would be Willing To Pay more for the product rather than those who perceive a lower degree of responsibility.

To test the moderation effect we hypothesized the following:

Nurturing, developing, enhancing and communicating the essence of an organization's corporate reputation is the role of everyone in the organization. Marketing clearly has a lead role to play in the external communication of that reputation and brand and therefore all avenues could and should include not only a sound code of corporate social responsibility, clearly and effectively demonstrated, but corporate community investment and CRM strategies should form a part of the portfolio (Adkins, 2011, p. 29). Reputed brands are expected to support social causes. Therefore, when the company's role is manifested in the message, the customers are likely to pay less for the reputed brand and more for non-reputed brand. Conversely, customers are expected to pay more for products marketed by reputed companies as compared to non-reputed companies when the message is framed with the role of the customer is made manifest. Thus we can hypothesize that,

H5: Impact of message framing on WTP is moderated by reputation.

A sense of responsibility which a consumer possesses as consumer traits, affects one's brand choice and purchasing pattern (Youn & Kim, 2008). Customers who are high on social responsibility are likely to feel that they should contribute to the cause than the

compares marketing the product. But those low on social responsibility are likely to feel that companies should contribute to cause, more than customers.

Hence when the customers' role is manifested in the message, those with high Consumer Social Responsibility are likely to pay more and when the role of the company is manifested in the message, customers with high Consumer Social Responsibility are likely to pay less. Thus we can hypothesize that,

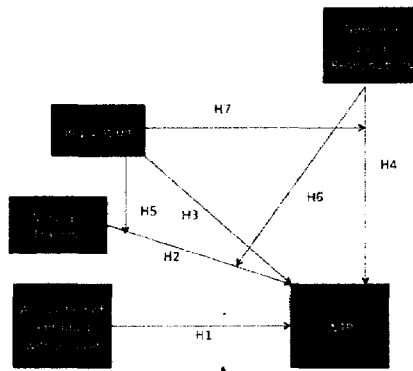
H6: Impact of message framing on WTP is moderated by Consumer Social Responsibility.

Customers with high social responsibility are likely to support a non-reputed brand more than a reputed brand and those with low social responsibility are likely to support a reputed brand more than a non-reputed brand and hence their WTP is likely to differ between reputed and non-reputed brands. Thus we can hypothesize that,

H7: Impact of Consumer Social Responsibility on WTP is moderated by reputation of the brand.

Thus there are four main effects (H1, H2, H3, H4) and three interaction effects (H5, H6, H7) in this study in the context of Cause Related Marketing.

FIGURE 1: Conceptual Framework



4. Methodology

The purpose of experimental research is to allow the researcher to control the research situation so that causal relationship among variables may be evaluated. The experimenter therefore manipulates a single variable in an investigation and holds constant all other relevant, extraneous variables as stated by (Zikmund, 2010).

The study is conducted as a laboratory experiment in which message framing in an advertisement and reputation of the company are manipulated. The experiment is conducted using two levels of message framing and two levels of reputation. It also measures Consumer Social Responsibility of the respondents. Cause, message framing, reputation and Consumer Social Responsibility were the independent variables while Willingness To Pay (WTP) was the dependent variable.

Method and Data Collection - Participants, Experimental Design and Procedure

For the purpose of the experiment 84 subjects were divided into four groups and the experiment was conducted in three rounds. In round one, the first group consisted of 7 subjects while the second, third and fourth groups also consisted of 7 subjects each respectively. Thus each category of message framing comprised of 21 subjects (Table1). The subjects were students pursuing a degree in Education in India. The average age of the subjects was 21.54 years. The subjects comprised of 19 males and 65 females. The average family income of the subjects was ₹ 16132. (Indian currency as expressed in Indian Rupees (INR), is symbolically

depicted as ₹). The product selected for the purpose of the experiment was a 200 pages note book as a book would be a utilitarian product for the subjects under the study.

Each group was administered a treatment which is a combination of a brand and a message. The reputed brand represented ITC while the non-reputed brand (fictitious) represented Priya. In round one, the first group consisting of 7 subjects were shown the book individually with the message printed on the book "Every time you purchase an ITC book the company contributes ₹ 1/- towards rural education" (the reputed brand). The book was compared with a non-cause, non-brand book with a reference (control) price of ₹ 15/- printed on it. The subjects were not allowed to interact with each other. On close examination of the books the subjects were asked to individually state in writing the price they were Willing To Pay on page 1 of a questionnaire (WTP is studied for a product as a whole) and on completion of the same, page 2 was administered which consisted of statements to be answered in the range of 'Strongly Agree' to 'Strongly Disagree' using a five-point Likert Scale to determine the level of consumer social responsibility. Systematic random sampling was used to select the subjects. While the second group was shown, the same message printed on the book with the non-reputed brand (Priya). The third group was administered the treatment of the message "Every time you purchase an ITC book you contribute ₹ 1/- towards rural education" printed on the book of the reputed company (ITC) while the fourth group was shown the same message with the non-reputed brand (Priya). In a similar manner round two and round three of the experiment was conducted.

TABLE 1
Division of Subjects for the experiment.

	Company pays	Customer Pays	Total
ITC	21	21	42
Priya	21	21	42
Total	42	42	84

5. Results

Table 2 represents the results of t-test for different combination of messages with reputed and non-reputed brands and low and high Consumer Social Responsibility, as well as brands with different reputations with low and high Consumer Social Responsibility, the mean WTP of which are tested against the reference (control) price of ₹ 15/- . All the combinations had significantly high mean WTP as compared to the reference price of ₹ 15/- as represented by t values significant at 1% level of significance.

The results indicated in table 3 are t-test for difference of means for different message framing, different reputations and different levels of Consumer Social Responsibility. The t values for difference of means between different message framing and the mean values of different reputations of brands were not significant. However consumers with low social responsibility were found to have higher WTP as compared to customers with higher social responsibility as represented by a t value significant at 10% level.

Table 4 indicates the test of significance for moderation effects, the impact of message framing on WTP is not moderated by reputation nor moderated by Consumer Social Responsibility. The impact of Consumer Social Responsibility on WTP was found to be moderated by reputation as represented by a f value significant at 10% level.

TABLE 2
One sample t-test for WTP for combination of independent variables with control value.

	Sample size	Mean WTP	Standard Deviation	T Value
Company pays * ITC	21	19.8810	2.085	10.727***
Company pays * Priya	21	20.1667	3.035	7.802***
Company pays * Low CSR	16	20.4062	2.067	10.460***
Company pays * High CSR	22	19.3864	2.609	7.885***
Customer pays * ITC	21	19.3000	2.929	6.727***
Customer pays * Priya	21	19.0952	3.093	6.068***
Customer pays * Low CSR	15	19.5867	2.667	6.661***
Customer pays * High CSR	20	18.6250	2.476	6.549***
ITC * Low CSR	30	21.6933	3.721	9.851***
ITC * High CSR	27	20.0926	4.024	6.576***
Priya * Low CSR	20	19.3000	2.364	8.134***
Priya * High CSR	32	19.2266	2.794	8.559***

***Significant at 1% level

The results of one sample t-test with the control value of ₹ 15/- (printed on the book without message and brand name) reveals that in all the combinations the test values were significantly high. Hence, it is evident that the cause makes a difference and customers are Willing To Pay for the cause.

TABLE 3
Test of Difference for WTP between levels of Independent variables.

	Mean	Standard Dev.	T value	Significance
Company Pays	20.0238	2.576		
Customer Pays	19.1976	2.977	1.360	Not Significant
Reputed Brand (ITC)	19.5905	2.528		
Non Reputed Brand (Priya)	19.6310	3.074	-0.066	Not Significant
Low Consumer Social Responsibility	20.0097	2.373		
High Consumer Social Responsibility	19.0238	2.545	1.683*	0.097

*Significant at 10% level

The t-test for difference of means of Willingness To Pay between the two different messages indicated no significant difference and similarly Willingness To Pay for a reputed brand was not significantly different from non reputed brand. However, the group with low Consumer Social Responsibility had a higher average Willingness To Pay as compared to the group with high Consumer Social Responsibility significant at 10 per cent level.

TABLE 4
Test of Significance for Moderation Effect.

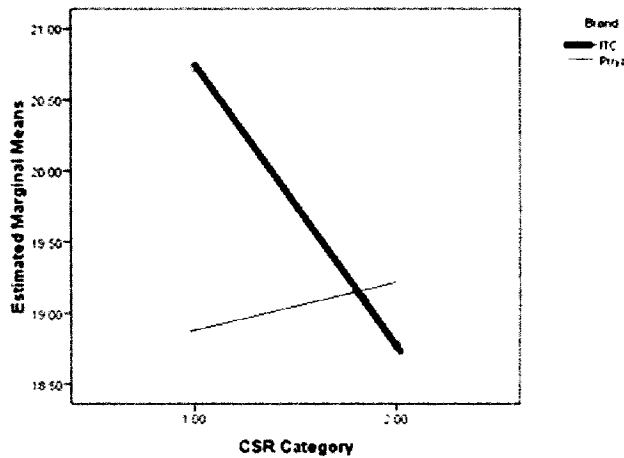
	F Value	Significance	Significance
Message * Brand	0.159	0.691	Not Significant
Message * Consumer Social Responsibility	0.002	0.961	Not Significant
Consumer Social Responsibility * Brand	3.783	0.056*	Significant at 10%

*Significant at 10% level

Moderation effect was observed only in the case of Consumer Social Responsibility reputation combination. While customers with low levels of Consumer Social Responsibility were Willing To Pay more for reputed brand, customers with high Consumer Social Responsibility were Willing To Pay more for non- reputed brand.

FIGURE 2

Estimated Marginal Means of Willingness To Pay



The main intent of this study was to determine whether incorporation of roles in the message framed in a CRM context can impact consumers WTP. The impact on WTP based on reputation of the brand and Consumer Social Responsibility was also investigated.

One sample t-test for different combination of messages, reputation and Consumer Social Responsibility taken two at a time indicate that the cause makes a difference to WTP hence the hypothesis (H1) that Association of a product with a cause increases WTP is supported. WTP was not found to differ between reputed and non-reputed brands, WTP also did not differ when the roles of the customer and company was made manifest in the messages, hence (H2) and (H3) are not supported.

The significant difference between WTP between customers with low social responsibility and high social responsibility support (H4).

The test for moderation effects indicates that the impact of message on WTP is not moderated by reputation nor moderated by Consumer Social Responsibility resulting in lack of support for (H5) and (H6). However (H7) is supported by a significant moderation effect of reputation on the relation between Consumer Social Responsibility and WTP.

6. Discussion

Strahilevitz (1999) found that consumers respond favourably when larger donations are associated with frivolous products. Our study did not involve comparison on the basis of nature of the products (frivolous v/s practical necessities) it however demonstrates that association of a product with a cause helps to increase Willingness To Pay. As Webb & Mohr (1998) in their study had identified consumers who buy only on the basis of traditional criteria, others who keep charitable giving separate from purchasing products linked to causes, we were drawn towards investigating how consumers respond to association of a product with a cause in terms of Willingness To Pay.

In their study Pracejus, Olsen, & Brown (2003) revealed that when vague terms are used in CRM advertisements the consumers perceived that greater support to charity was extended by the company, thus donation framing impacts consumer perceptions. Chang & Lee (2010) in their study depicted how vivid presentation make framing effects strong in terms of advertising persuasion when it is congruent with the framed message. Their study highlights the fact that negative framing is more effective than positive framing and also reveals how statistics presented with large numbers can have an impact on positively framed messages with a positive story.

Although message framing has been studied in various contexts like donation framing, temporal framing, to the best of our knowledge no study has been conducted incorporating the role of the consumer and the company in the message framed impacting Willingness To Pay.

As consumers attach importance to reputation of brands when engaging in purchase activity we tried to study whether reputation of the brand in terms of popularity also affects consumers Willingness To Pay in the CRM context.

As there is a growing concern for the environment, social issues, among consumers we felt the need to investigate the concept of Consumer Social Responsibility in the context of CRM. Webb & Mohr (1998) identified four different types of consumers i.e. skeptics, balancers, attribution-oriented and socially concerned. The socially concerned were people who responded positively to CRM offers primarily because of their concern and desire to help causes about which they care.

This lead us to investigate whether the socially concerned consumers would carry forward this concern in terms of higher WTP. Vaidyanathan and Aggarwal (2005) stated that despite a high degree of expressed concern about the environment, few individuals are willing to follow up this concern in terms of actions from their side supporting the environment, more so when these actions require the individuals to bear some costs.

Thus our study depicts that consumers are more sensitive to a cause and cause matters to them irrespective of brand reputation and how the message is framed. It is evident from the fact that consumers WTP increases when a product is linked or associated with a cause. The study depicts that consumers' with low Social Responsibility showed increased Willingness to Pay for a reputed brand and were Willing To Pay less for a non-reputed brand. Although it is difficult to predict the exact reason for this behaviour it appears to be more of a stated intention, however the actual purchase behaviour may be different. Fishbein and Ajzen (as cited in Shen & Dillard 2007) state a behavioural intention is a course of action that an individual aims to follow. Heckhausen and Kuhl (as cited in Shen & Dillard 2007) suggest that the probability that an attitude will be transformed into an intention increases as a function of opportunity, time, importance, urgency, and means.

7. Conclusion

The study demonstrates that association of a product with a cause helps to increase Willingness To Pay. Consumers with lower social responsibility are Willing To Pay more if the brand is reputed while consumers with higher social responsibility were Willing To Pay more for a non-reputed brand. The study also indicates that Consumer Social Responsibility has an impact on WTP. It is thus evident that Cause-Related Marketing campaigns to a large extent have the potential of increasing consumer's Willingness To Pay. The study depicts that consumers ultimately bond and establish a connect with the cause dimension regardless of the reputation of the company involved. Helping others matters, as long as some donation is made. Besides, the study also revealed that the impact of Consumer Social Responsibility on WTP is moderated by brand reputation. The study does not indicate that message framing has an impact on WTP. Reputation of the brand does not have an impact on WTP. The impact of message framing on WTP is not moderated by the reputation of the brand and the impact of message framing on WTP is not moderated by Consumer Social Responsibility.

8. Limitations

This research faces the limitations common to many laboratory experiments in which student participants are used, including the questions of generalization. Replication with the "real-world" sample is essential before extending the results of this study. Results may indicate significant difference with the increase in the sample size.

9. Implications

As companies try to communicate with consumers using messages it is important for practitioners of CRM to understand whether consumers identify and perceive, their role and the role of the company in the message framed and whether their perception has an impact on their WTP coupled with the reputation of the brand and consumer social responsibility.

The study depicts that incorporation of roles in the message framed in the CRM context would not be effective and as such marketers could identify other aspects of message framing to make CRM more effective. However the study proves that association of a product with a cause matters more to the consumers.

Understanding consumer behaviour in terms of their perceptions towards message framing in CRM could provide insightful information to marketers as they attempt to design effective campaigns that could mould, support and transform the behaviour of consumers in a competitive business world.

The findings of this study may help the marketers as products linked to causes have pricing implications. This calls for proper segmentation of population and thus based on the social responsibility of the target audience, pricing can be varied by the marketer. Differential pricing depending on the reputation of the brand, for target audience with different Consumer Social Responsibility can be adopted.

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