

# Societal marketing on the attitudes of young consumers marketing essay



The notion of societal marketing implies satisfaction of the needs of the market in ways that improve the overall welfare of consumers and society as a whole and at the same contributing towards meeting the organization goals (Kotler & Keller, 2008).

In 21st century, most organizations are becoming progressively interested about handling societal issues in marketing to provide benefits to all the stakeholders in the society, including organization, customer as well as society (McAlister & Ferrell, 2002; Waddell, 2002;) and there are increasing trend towards the concept of societal marketing and green consumerism among marketing departments of various organizations (Prothero, 1990). Societal marketing has grown in popularity and usage within various aspects of society and specific social causes could benefit from societal marketing such as public health, pollution control, mass transit, private education, drug abuse. (Andreasen, 1995; Grier & Byrant, 2005; Kotlet & Zaltman, 1971; Ling, Franklin, Lindsteadt, & Gearon, 1992; Siegel & Doner, 1998). Various industry surveys conducted over the years have shown positive influence of societal marketing on consumer perception and corporate image (Cone Inc., 2002; Cone Inc., 2008A; Cone Inc., 2008B; Jayne, 2001). Moreover, it has been stated that organizations adopting the societal marketing concept are likely to be more profitable in the long run apart from being beneficial to society as a whole (Abratt & Sacks, 1988).

Societal marketing offers tremendous opportunities for organizations as well as the society. Several studies indicate that there exist ample market segments that are ready to switch brands for the right cause at the right price. Besides this, there also exist segments that are prepared to switch

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brands without caring about price and quality. Therefore, it can be stated that corporate image related to promotion of public good and specific causes can wield strong effect on customer behavior (Barone, Miyazaki, & Taylor, 2000; Bloom, Hoeffler, Keller, & Meza, 2006; Hoek & Gendall, 2008).

Cause-related marketing is highly implicated in the concept of societal marketing in which organizations extend specific amount of contribution to a certain cause when customers undertake revenue generating exchanges that meet organizational as well as individual objectives (Andreasen, 1996). Therefore, it is reckoned as a variant of societal marketing concept (Kotler, 2000) and implies connecting company's product or service to a relevant social cause for the mutual benefit of the organization and society (Pringle & Thompson, 1999). There have been various reported business cases indicating that societal marketing lead to remarkable increase in the revenues and position of organizations (Adkins, 1999; Balabanis, Hugh, & Lyall, 1998; Kotler, 2000). Cause-related marketing implies emotional and rational involvement of consumers (Bloom et al., 2006) which renders societal marketing advantageous for the company (Andreasen, 1996; Kotler, 2000).

Another concept closely related to the concept of societal marketing is that of corporate social responsibility which includes corporate social actions whose purpose is to satisfy social needs (Brønn & Vrioni, 2001; Moir, 2001). Realizing corporate social responsibility and undertaking cause related marketing is a tool for increasing customer loyalty and building reputation (Brønn & Vrioni, 2001). The change in corporate image attributed to cause-related marketing campaigns appears to depend a great deal on how  
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customers perceive the reasons for company's involvement in cause related programs and the amount of help given to the cause through a company's involvement (Webb & Mohr, 1998).

The concept of societal marketing and corporate social responsibility is relatively new. In Pakistan a number of firms have started using this approach fairly recently. Keeping in view the emerging importance of CRM, an exploratory study has been conducted to find its impact on the purchase of convenience goods in Peshawar. The specific categories of product selected were soaps, detergents, cigarettes, candies, chewing gums, toothpaste, shampoos, ghee, oil, milk and tea (Ghani & Imran, 2008; Nazir, Iftikhar, & Rana, 2010)

Despite the enormous growth of societal marketing practices and related concepts across the world, empirical research is still scarce in this subject (Berger, Cunningham, & Koziets, 1999), particularly in Pakistan. There are various questions particularly concerning the influence of societal marketing on consumer perceptions of corporate image and their purchase intention and behavior in the context of Pakistan which needs to be investigated through empirical research.

#### SIGNIFICANCE & RATIONALE

The rationale and justification behind this research is that although there exists significant body of knowledge on societal marketing and corporate image, there is very little research on the concept of societal marketing in Pakistan. In fact, this is the first research study on the influence of societal marketing on consumer perception of corporate image in the context of <https://assignbuster.com/societal-marketing-on-the-attitudes-of-young-consumers-marketing-essay/>

Pakistan. Besides, there has been a gap in the literature regarding impact of societal marketing with respect to demography – this study will also attempt to disclose the influence of societal marketing efforts on young consumers.

Apart from contributions to the theory, this research study will attempt to make practical share to the knowledge of societal marketing for the practitioners of this concept. This research will provide empirical information to marketers so that they take informed decision while applying societal marketing to distinguish themselves from competitors. Organizations may apply the findings to run successful societal marketing campaigns.

## OBJECTIVES

To inquire into the research problem, the specific objectives this study is designed to address are:

To understand the extent and nature of societal marketing programs in Pakistan.

To reckon the effectiveness of societal marketing campaign of two organizations working in Pakistan

To develop a framework for reckoning impact of societal marketing on attitudes of young consumers regarding corporate image

To have better understanding of demographic factors (gender, age, education level) that influence consumer attitudes toward corporate image

## LITERATURE REVIEW

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The emerging issues in today's world such as environmental deterioration, resource shortages, explosive population growth, world hunger, poverty, and several social causes have caused businesses to reconsider the current marketing philosophies (Kotler, 2000). That's why the pressure has increased on many companies and managers to know and understand their responsibilities to society and to act in a way that benefits the overall community (Lambin, 1997). Marketing communication and promotions with social dimensions in everybody's point of view (Bennett, 1998; Drumwright, 1996; Marsden, 2000; Simon, 1995) as now marketers are likely to respond to higher consumer expectations of corporate social responsibility (Benezra, 1996; Caudron, 1994; Scott, 1995; Smith, 1994).

The effects of societal marketing, as well as other related terms, have been discussed extensively in the trade literature (Cramer, 1991; Larson, 1994; Cone, 1999; Darby, 1999; Ebenkamp & Stark, 1999; Fellman, 1999; Goetzl, Snyder, & Ross, 1999; Redemacher, 1999; Stubbs & Andrews, 1999; Whitaker, 1999; Hoover, 2000). A large number of surveys have been executed in different countries, such as the New Zealand, the United Kingdom, Australia and, United States have also been done to find the effects of societal marketing on consumer behavior (Business in the community, 1997, 1998; Cone Inc., 2000; Cone/Roper communications, 1994, 1999; Jayne, 2001). Those surveys all of them showed similar results, that the consumers attitude or behavior are more positive towards a company that supports social causes, and additionally prefer to purchase a cause-related product. These customers are likely to switch brand or retailer associated with a good cause only, if price and quality are equal. Moreover,

they also believe that this concept should be a major business practice.

Nevertheless, there is little confusion in determining, what is considered a social cause, remain between consumer preference and corporate effort (Simon, 1995).

Somewhat similar results have been gathered from teen surveys as well, US teens consider that a company's commitment to causes is the second most important factor after product quality when teens decide to buy, followed by price, advertising and celebrity endorsements (Cone, Inc., 2000).

Furthermore, 86 percent of teens spread a good word of mouth about companies that are committed to causes (up from 80 percent in 1999). In addition, teen girls are found to be more supportive of cause initiatives than their male.

Davis (1994) worked on consumer response to corporate environmental advertising and found out that responses were more favorable when they were from positive advertiser and had ethical context. Creyer and Ross (1997) were of the view that consumer promote the corporate social behavior if they are ethically concerned about it. A research revealed that consumers prefer cause-related products and are willing to switch brands for this purpose (Cavill et al. 1997). Webb and Mohr (1998) investigated types of consumer response to cause related marketing and found out that cause-related marketing influences consumer's buying behaviour. Berger, Cunningham, and Koziets (1999) stated that cause claim in advertisements has a strong influence on brand attitudes and purchase intention. Morton (1999) looked into corporate social advertising's effect on audience attitude toward company and cause and found different evaluation of companies with <https://assignbuster.com/societal-marketing-on-the-attitudes-of-young-consumers-marketing-essay/>

corporate social responsibility. Another study found that both social conscience and business competence have a major impact on corporate image and that social conscience affects consumer purchase intention. (Goldberg, 1999). Webb (1999) inquired into consumer attributions regarding cause related marketing offers and their impact on evaluations of the firm and purchase intention and concluded that personal relevance of cause impacts that most in reckoning consumer response to cause-related efforts. Barone, Miyazaki and Taylor (2000) found out in a study that campaigns supporting social causes which are perceived by consumers to be for proper reasons are rewarded. Madrigal (2000) studied the role of corporate association in new product evaluation and concluded that environmental friendliness remarkable influenced product response and the perception of company. A study concluded that consumers are not skeptical to companies utilizing cause related marketing (Bronn & Vrioni, 2001). Sen and Bhattacharya (2001) stated that a history of corporate social responsibility has positive impact on company evaluation and corporate image. Hoeffler and Keller (2002) investigated the effect of corporate societal marketing on brand equity and found a positive relationship. Trimble and Rifon (2006) investigated consumer perceptions of compatibility in cause-related marketing messages and confirmed the role of organization/cause compatibility for the creation of positive consumer perceptions of the donor, and highlight the importance of individual characteristics that affect perceptions of the cause and its compatibility with a donor. Gupta and Pirsch (2006) established that company-cause fit improves attitude toward the company-cause alliance and increases purchase intent. Nan and Heo (2007) demonstrated that advertisement with an embedded cause-related

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marketing message evokes more favorable consumer attitude toward the company as compared with a similar advertisement but without a cause-related marketing message. Heslin and Ochoa (2008) discussed the healthy effects of corporate social responsibility on corporate image and suggested principles for developing a relevant strategy. Vergalli and Poddi (2009) studied the influence of corporate social responsibility on firm performance and concluded that such firms obtain higher sales and profits due to several causes reputation effect, a reduction of long run costs and increased social responsible demand.

As a result of these findings, previous research in this field can be categorized into three major areas relating to corporate image, product image and purchase intention or brand choice. These areas are discussed next.

Corporate image. It is evident that the impact of societal marketing on consumers' behaviour toward the company tends to be positive if it is linked to a cause that consumers support (Davis, 1994; Madrigal, 2000; Morton, 1999; Ross & Patterson, 1992; Sen & Bhattacharya, 2001; Webb, 1999; Webb & Mohr, 1998). Most consumers prefer corporate and brand advertising with a social claim (Berger, Cunningham, & Koziets, 1999; Brown & Dacin, 1997; Davis, 1994; Morton, 1999; Sen & Bhattacharya, 2001), but capability of performing in harmony of firm-nonprofit organization (NPO) alliances also influences their attitudes (Webb, 1999).

Product image. If firms show commitment to social responsibility in their ads the effects on product image are highly favorable (Berger, Cunningham, &

Koziets, 1999; Brown & Dacin, 1997; Davis 1994; Goldberg 1999), specially amongst US teens (Cone/Roper communications 1999; Cone Inc., 2000). Moreover, perceptions of corporate social responsibility influence consumer's evaluation of new products (Brown & Dacin, 1997; Creyer & Ross, 1997; Madrigal, 2000).

Purchase intention or brand choice. Consumer attitudes to purchase intention and tendency to switch brands to those that support social causes tend to increase with the perception of ethical and social responsibility demonstrated by the firm (Barone, Miyazaki, & Taylor, 2000; Bennett & Gabriel, 2000; Berger, Cunningham, & Koziets, 1999; Bronn & Vrionic, 2001; Creyer & Ross, 1997; Davis, 1994; Goldberg, 1999; Sen & Bhattacharya, 2001; Webb & Mohr, 1998). Females tend to have a higher intention to buy or switch brands than males (Ross & Patterson, 1992; Webb & Mohr, 1998; Webb, 1999). The results of the study by Webb and Mohr (1998) determined four types of consumer response to societal marketing influencing consumer's buying behaviour namely, skeptics, balancer, attribution-oriented and socially concerned groups. Additionally, campaigns which support social causes were shown by Barone, Miyazaki, and Taylor (2000) to be rewarded by consumers when these causes were perceived by the consumers to be for appropriate reasons.

In summary, it is evident that there is a positive relationship between societal marketing and consumer response to the company and product. However, no research is enough and additional research is needed to assure that there is the strong relationship between societal marketing and consumer attitudes particularly in the context of Pakistan.  
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## **HYPOTHESIS**

Since this particular research issue has never been addressed in Pakistan before, to answer it, following hypotheses are developed.

H1 Consumers will have a positive attitude towards an organization that undertakes a societal marketing campaign.

H2 Corporate marketing communications will affect attitude of consumers towards corporate image

H3 Younger consumers will have a more positive attitude towards an organization undertaking a societal marketing campaign than will older consumers.

H4 Female consumers will have a more positive attitude towards an organization undertaking a societal marketing campaign than will men.

H5 Consumers with a higher educational level will have more positive attitudes towards an organization that undertakes a societal marketing campaign than will those of lower educational level.

### Research design

A research design, according to Zikmund (1997), " a master plan by which we specify the techniques and operations for collection and examination of the required information" (p. 199).

## **Choice of research**

The choice of research will be Descriptive research which describes data and characteristics about the population or event being studied. It allows us to have greater understanding (Zikmund, 1997). Descriptive research tends to be very structured and strict for the collection of data (Stevens et al., 2000). The purpose of using this research is that it will help understanding the attitudes and behavior of customers, who are likely to respond towards the organizations undertaking a societal marketing campaign and hence, the degree to which societal marketing and corporate image are connected will be determined (Kinnear & Taylor, 1996). Hence, this design is most suitable to examine the impact of societal marketing on customer behavior towards corporate image.

### Sampling

The sample design that will be utilized in this study is derived from the approach developed by Stevens et al. (2000) which implies reckoning the population pertinent to the study, the sampling frame, the sampling procedures, the estimation of sample size and finally selection of sample

### Population

The population relevant to a study is described as ' a complete group of entities that share some common set of characteristics' (Zikmund, 1997, p. 414). In this study, the population is all the university students, since we intend to find the influence on young consumers and university offers a good place to find this kind of population.

Sampling frame. The sampling frame in this study will be 2% graduate and post-graduate students of university. The Cerebos database profile of customers, shown in table 4. 1, was collected through the company's marketing activities such as a lucky draw. Each customer in this database is a single member of the population and is defined as an element (Sekaran 2000) or a sample unit (Zikmund 1997).

Sampling method. As a self-administered questionnaire method will be applied in this research, it is possible to use probability sampling for the selection of respondents in order to generalize the findings (Zikmund, 1997). Therefore, a proportionate stratified sampling will be selected. The proportionate stratified sampling involves a process of stratification, followed by random selection of subjects from each stratum (Sekaran, 2000). In this study, each member group of the population has a known probability of being selected. This method is efficient when differentiated information is needed regarding various strata within a population because it provides more information within a given sample size (Sekaran, 2000). In addition, it allows for a reduction of standard error over simple random sampling (Zikmund, 1997). Thus, the confidence interval will be smaller. First, the population will be divided into mutually exclusive and collectively exhaustive subgroups or strata. The stratum in this study will be age, gender and education level since we intend to find influence of societal marketing on young consumers and hypotheses include demographic variables of age, gender and education level. Therefore, using this type of sampling method in this study is justified.

Sample size. A suggested sample size of 200 to 500 should be adequate for the data. Due to budget and times constraints and practicalities of the sample frame, 500 questionnaires will be self-administered to respondents sampled through the above sampling method.

## DATA ANALYSIS

### Data collection

Self-administered questionnaires will be used for data collection. Various data collection methods have been identified other than self-administered questionnaire, including personal interviews, telephone interviews, mail surveys and online surveys, along with the combinations of the above (Zikmund, 1997). It is evident that each method has their advantages and shortcomings. Self-administered questionnaires will be selected because these are cost-effective, particularly in this study which requires significantly large numbers of respondents. Besides, they can be administered in large numbers all at one place and time. Moreover, speed of administration and analysis is relatively faster and due to time constraints associated with this research study. Self-administered questionnaires are suitable for computer based research methods.

Questionnaires are an efficient data collection mechanism when the researcher knows exactly what is required and how to measure the variables (Sekaran, 2000). A self-administered questionnaire survey was therefore chosen for this study.

### Data Analysis

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Data collected through surveys will be subject to analysis using software packages and statistical techniques. Before data analysis is carried out, Data preparation will be done so that the familiarity with the collected data is made.

### Data Processing

Tabachnick & Fidell (1983) advised analyzing the data and describing descriptive statistics before undertaking data analysis, so that the researcher is familiar with the data and knows the relationships between variables. This research study will follow data preparation strategy that will include editing, data entry, verification and handling of missing data. Firstly, the data will be reckoned for outliers followed by checking of normality of the data. In this stage, data will be cleaned to make sure that the observations are accurate followed by screening, identification and management of the issues regarding missing data, outliers and normality.

SPSS version 13 and Microsoft Excel 2007 software packages will be used for entering, verifying and analysis of data. Microsoft Excel will be used for basic calculations such as mean, median, mode, variance and standard deviation while SPSS will be used for advanced rendering of data as in hypothesis testing. SPSS and Microsoft Excel are used because these are convenient and easily available statistical packages that are relatively easy to use and handle.

### Data Analysis

Univariate analysis will be used to describe the basic characteristics of the data collected from the survey. Therefore, summary statistics of the mean and standard deviation for each of the variables in the framework will be calculated. Regarding descriptive statistics, following will be calculated for each variable:

Distribution; which will summarize the frequency of individual values or ranges of values for a variable. Frequency distribution will be utilized. e. g., Percentage of respondents who are female.

Central Tendency; which will be used to reckon central tendency of variables. Mean, Median and Mode will be rendered.

Dispersion; which will determine the spread of the values around the central tendency. Variance and Standard Deviation will be calculated to estimate dispersion.

Justification for the use of univariate analysis is that it is essential for arranging and displaying data and form the basis of rigorous data analysis. Besides, it helps examine the tendencies, spread, normality, and reliability of a data set. It forms the basis for more advanced statistical methods.

Bivariate Analysis will be used to know the relationship between variables and to test the hypothesis and to try to infer from the sample data about the population as a whole. Variables measured will be analyzed by means of statistical tests of significance. Hypothesis will be tested by constructing a bivariate frequency distribution or contingency tables. SPSS will be used to



draw contingency tables. However, we will use hand analysis to show the logic of bivariate analysis.

Bivariate Analysis will be used because it yields insight into relationships between variables and reveal causes and effects and make predictions.

Besides, bivariate analysis is fundamental in solving the research issue at hand and subsequent hypotheses.