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Finding The Sweet Spot Of Cause-Related Marketing: Consumer Response To Campaign Tactics

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FINDING THE SWEET SPOT OF CAUSE-RELATED MARKETING:

CONSUMER RESPONSE TO CAMPAIGN TACTICS

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ABSTRACT

Cause-related marketing is an effective promotional tool that connects with consumers' emotions and increases sales. Two essays are presented that explore how consumers respond to different marketing tactics. The first essay presents two studies that examine cause-related marketing (CRM) promotions that require consumers' active participation. Requiring a follow-up behavior has very valuable implications for maximizing marketing expenditures and customer relationship management. Theories related to ethical behavior, like motivated reasoning and defensive denial, are used to explain when and why consumers respond negatively to these effort demands. The first study finds that consumers rationalize not participating in CRM by devaluing the sponsored cause. The second study identifies a tactic marketers can utilize to neutralize consumers' use of defensive denial. Allowing the consumer to choose the sponsored cause seems to effectively refocus their attention and increases consumers' threshold for campaign requirements. Implications for nonprofits and marketing managers include a tendency for consumers to be more likely to perceive a firm as ethical and socially responsible when they are allowed to choose the specific cause that is supported.

The second essay addresses promotions that donate the same product purchased by the consumer, like Tom's shoes, and creates a connection between the consumer and donation recipient. The identified victim effect is proposed to explain the success of "one for one" style donation programs. Compared to monetary donations, matched product donations lead consumers to feel more empathy for the needy recipients and also to perceive the donation has

more impact. Perceptions about the transparency of the donation are also found to be an important driver of the differences between product and monetary differences.

DEDICATION

I dedicate this dissertation to all of my friends, family, and colleagues who have been instrumental in completing this process. I would like to thank Daniel Howie, my husband, for his tireless support and encouragement. I am truly thankful to share this and all of life's adventures with you. To my parents, thank you for always supporting my dreams and making them possible. To Wil and Michele Howie, thank you for being the support system in Mississippi I never expected to have but certainly needed. To my Sam and Margo Griffith, thank you for cheering me on and making trips to visit. I must thank Dr. Melissa Burnett for encouraging me to pursue this degree. I never would have taken on this challenge without her guidance. Additionally, many thanks to, Dr. Robert Allen King and Samantha Francka, for their friendship and expertise.

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1. INTRODUCTION

Cause-related marketing is a promotional tool managers have come to rely on heavily for both image improvements and incentivizing sales. Corporate spending on cause sponsorship is estimated to reach $1.92 billion in 2015 (IEG Sponsorship). Defined as "profit motivated giving" that links product sales to charitable donations (Varadarajan and Menon 1988), this type of corporate social responsibility (CSR) has the potential to benefit the company, cause, and consumer. However, with the proliferation of CRM in the marketplace consumers viewed CRM as "business as usual" as far back as the early 2000s (Menon and Kahn 2003), thus leaving managers to look for strategies to differentiate their sponsorship programs. Many companies are now structuring their campaigns to require active participation from the consumer. For example, Nature Valley started their "Preserve the Parks" campaign in 2010 to benefit the National Parks Conservation Association. Consumers were asked to visit the company's website and enter the Universal Product Code from the packaging for a $1 donation to be made (Cone LLC 2011). Nature Valley's website also presented customers with links to volunteer, make a personal donation, and "share" program information on social media sites. From 2010 to 2011 Nature Valley's social media engagement increased 33%, sales increased 7%, and over $800,000 was raised for the National Parks Conservation Association.

Requiring consumers to engage in CRM beyond just purchasing products has valuable implications for improving CRM performance and maximizing marketing expenditures. This type of CRM provides data that's unavailable in traditional campaigns. The best assessment management can do to evaluate a basic CRM promotion is to guess what portion of sales were actually attributed to the CRM promotion. There is a great academic and managerial need for behavioral data from real-world CRM campaigns (Henderson and Arora 2010). Past researchers note the probability that CRM effects are under or overvalued in the absence of behavioral data to complement existing experimental findings (Andrews et al. 2014). In the example of Nature Valley's campaign, managers can track what portion of consumers actually registered the purchase online and gauge consumer's receptivity to the promotion. Moreover, their donations are limited to only those consumers who care enough to complete the donation process. Thus it is clear that requiring consumers to participate in CRM campaigns has valuable implications for managers, however it is unclear how consumers respond to these requirements. Time and effort required from consumers to complete the CRM requirements may increase one's reluctance to participate.

The purpose of this research is to empirically examine how consumers may react to different levels of effort required from them to enable support for a cause. Consumer's intention to participate in the promotion are evaluated and also how consumers respond when personal costs associated with participating are high. The rationalization consumers use to justify nonparticipation is examined to understand how these decisions are made (Schwartz and Howard 1980; Sykes and Matza 1957). Two studies test consumer's reaction toward participating in a company's CRM program and also examine the psychological mechanism that mediated the reactions. With two experimental studies, we showed that consumer's intention to participate in

CRM was not linearly related to the effort required from them. Instead, the negativity of effort required only showed when effort increased from medium to high. Compared to conditions where no effort was required from consumers, medium effort required was not found to negatively affect consumer's participation intention. Further, we test if providing consumers' a choice to designate which cause they could support, the negativity of effort required from them was dampened.

Considerable research on cause-related marketing has been conducted since its inception in 1989, however surprisingly little has been devoted to understand how consumers react to personal costs associated with CRM campaigns (Folse et al. 2010). In the previous example, Nature Valley required consumers to visit the website to enter a code. Our research seeks to understand the implications of actively engaging consumers in CRM, an area of research that Folse et al. (2010) deem is "in its infancy" (pg 300). Therefore, the primary objective of this research is to address whether, when, and how consumers respond to CRM campaigns that require their personal effort. We seek to develop insight into understanding consumers' potential reactions and the mechanism through which consumers ultimately decide on participating in CRM campaigns at different levels of participation effort. The first study addresses establishing this process and our second study tests how companies can alleviate negative effects of requiring follow up behavior. Building on the theories of motivated reasoning and defensive denial, we posit that CRM campaigns with consumer effort requirements reduce participation intentions by activating the devaluation of the sponsored cause. Our second study identifies a tactic marketers can utilize to neutralize consumers' use of defensive denial. Allowing the consumer to choose the sponsored cause may successfully refocus their attention and increases consumers' threshold for campaign requirements.

2. LITERATURE REVIEW, PROPOSED MODEL, AND HYPOTHESES

Past research on prosocial behavior has documented that personal costs negatively impact individuals' intentions to choose the prosocial behavior (Piliavin, Piliavin, and Rodin 1975; Shaw et al. 1994; Tyler, Orwin, and Schurer 1982; Wagner and Wheeler 1969). For example, individuals are less likely to conserve energy when doing so is difficult (Tyler, Orwin, and Schurer 1982). Similarly, individuals are less likely to help a stranger in need when doing so will take a lot of personal time (Shaw et al. 1994). These streams of research detail the conflict individuals feel while trying to maximize their self-interest and also behave prosocially in tandem. Defensive denial (Schwartz and Howard 1980) and neutralization theories (Sykes and Matza 1957) offer insight into how individuals reconcile this cognitive dissonance. Both theories explain how individuals can redefine the situation in a way that downplays the neediness or worthiness of the issue. This devaluation allows individuals to not behave prosocially and avoid any negative or remorseful feelings. These theories and findings suggest that the value consumers' associate with a sponsored cause is situationally malleable. Cause importance is a critical driver of CRM success both in terms of attitude improvements and likeliness of purchasing the associated products. The present research is important because it tests if CRM campaigns can lead consumers to actually devalue the sponsored cause, thus handicapping the campaigns overall performance.

As shown in Figure 1, it is expected that effort demands from the CRM campaign will lead to lower perceived cause importance, which in turn effects perceptions about the firm's motives (i.e. perceived corporate social responsibility) and also campaign participation intentions. Campaign effort, a type of personal cost, is conceptualized as how long the campaign requirements will take to complete. Perceived cause importance reflects how important and relevant consumers feel the sponsored cause is (Grau and Folse 2007). Perceived CSR is defined as how genuine or altruistic a firm's actions are inferred to be (Brown and Dacin 1997). Intentions to participate in the campaign are defined as the consumers' willingness to complete the prescribed behaviors required for the donation to be triggered (Folse et al. 2010).

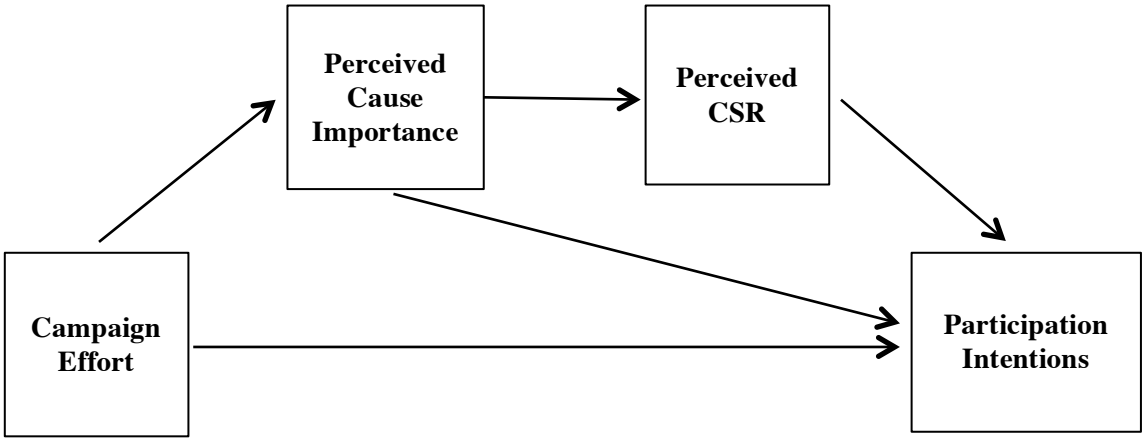

Figure 1: Study 1 proposed serial mediation model for the effect of CRM effort on participation intentions

Cause-Related Marketing and Consumer Participation

CRM is a marketing activity "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", or put more succinctly, "profit motivated giving" (Varadarajan and Menon 1988, p. 60). CRM is a type of sponsorship that falls in the broader CSR category. The growth in cause marketing is in response to consumers becoming more socially conscious (Dupree 2000). Additionally, Forte and Lamont (1998) find that consumers are increasingly considering the firms' role in society when making purchase decisions. CRM allows firms to pursue both financial and pro social objectives simultaneously. One important consequence of CRM promotions is improved consumer attitudes toward the company and purchase intentions (Brown and Dacin 1997; Pracejus, Olsen, and Brown 2003). Long-term benefits from CRM are enhanced firm image perceptions (Varadajan and Menon 1988), improved CSR perceptions, and more specifically improved product performance evaluations, independent of the firms' actual ability (Chernev and Blair 2015). Moreover, research has shown that companies engaging in pro-social behavior are more likely to motivate consumers to switch brands and retailers (Smith and Alcorn 1991). In summary, companies who engage in CRM may be perceived as more socially responsible, producers of superior products, and may ultimately win over competitor's customers. The motivation for companies to engage in CRM is clear, however the effect of requiring consumers to actively participate in these campaigns is unknown.

Participation effort in a CRM campaign is defined as "any expenditure of time or energy beyond purchase that the company requires of the consumer to activate the donation (e.g., mail proof of purchase or complete a survey)" (Folse et al. pg 300). Polonsky and Speed (2001) detail the attractiveness of requiring consumers' participation in CRM. They refer to these types of programs as "multi-phase" and note that these programs have a higher return on giving because only a portion of consumers will complete the donation process. Additionally, firms receive

additional value through improved data associated with the campaign and specific customers. Keller (2001) explains the difficulty of measuring success with sponsorship messages because they are so closely linked to other communication spending. Improving data quality also enables superior customer relationship management and increased opportunities to communicate company information, like product promotions, to consumers.

Folse et al. (2010) present the only empirical research on CRM and consumer participation, to our knowledge. The authors utilize experiments and manipulate CRM participation as either present or absent and also test the effects of two other variables, purchase quantity requirements and donation amounts. In the effort absent condition consumers only needed to purchase the products to complete the donation process whereas, the effort present condition required consumers to mail in a proof of purchase. The authors made no hypotheses about the affects of participation effort and acknowledged the exploratory nature of including the variable. The authors' results showed no main effect of participation effort on the dependent variables of: firm motive, CSR, and participation intentions. Interestingly, an interaction was significant between purchase quantity and participation when effort was present. When participants were asked to purchase more products than expected, four bottles of shampoo compared to one, consumers responded negatively. Moreover, requiring participation effort amplified this negativity. The combination of requests seemed to surpass a tolerance threshold for consumers.

We build on the findings of Folse et al. (2010) by examining a variety of effort levels and provide theoretical development and empirical support for the mechanism responsible for the threshold effect. Understanding *why* consumers respond to effort requirements is useful for advancing theory and assisting practitioners. The present research introduces defensive denial as

the rationalization technique consumers use to justify not participating in CRM. Understanding the actual process consumers use to avoid participating in the CRM program has valuable implications for both theory and practice. Is there a way marketers can overcome consumers' aversion to personal costs? This question in addressed in Study 2. Requiring a secondary activity from consumers is financially advantageous for firms, therefore it's important to understand if consumers can be made more receptive to participating. In Study 2, we introduce a technique marketers can use to overcome consumers' negative response to effort requests. If a CRM campaign allows consumers to choose the specific organization to receive the donation consumers tolerance of effort is significantly improved. In the following sections, theories and literature are reviewed that have been influential in explaining consumer response to effort demands in a variety of contexts.

Effort Required from Consumers: The Benefit

Extent literature on consumer effort in contexts outside of CRM is referenced, as many of these streams have more thoroughly explored the effort construct. In some areas of exchange consumers seem to not only tolerate, but also enjoy using their personal time and effort engaging with companies. For example, research co-producing products and services has found that involving consumers in the process of designing or completing products can lead them to evaluate those final products more favorably (Franke, Keinz and Steger 2009; Troye and Supphellen 2012). Troye and Supphellen (2012, p 35) test this "labor leads to love" phenomenon with consumer involvement in completing a meal kit. Participants assessed the meal as better quality compared to participants who did no work for the same meal. Similarly, Franke, Schreier, and Kaiser (2010) studied consumer participation in product design, and conducted experiments that had participants utilize templates to design items like t-shirts. The findings from these

studies indicate that consumers experience a greater sense of accomplishment when they are actively engaged in creating the product, and are ultimately willing to pay higher prices. Moreover, the necessity of effort expenditure to create this positive effect is discovered. Participants who reported higher personal costs, of time and effort, associated with designing the shirt felt a greater sense of accomplishment and would pay more for the product.

Thus, empirical research supports that in some instances individuals not only tolerate personal costs in consumer settings but they actually enjoy them. Furthermore, this effect can be documented in the marketplace by the long-term success of companies, like Ikea, with deep roots formed in co-production. In fact, this phenomenon is so noteworthy Norton, Mochon, and Ariely (2011) coined it as the "Ikea Effect". Additionally, the importance of consumer effort has also been explored in a loyalty program context. Kivetz and Simonson (2003) found that the effort associated with participating in a loyalty program increased the perceived attractiveness of the rewards.

The purpose of the present research is to investigate how consumers respond to effort demands in a CRM setting. Consumers purchase products from CRM promotions, because they want to support the cause receiving the donations. Past research has documented the positive affect, or "warm glow", that individuals feel when they purchase CRM products. More generally, research on altruistic behavior finds that individuals can experience a variety of benefits. For example individuals may view themselves as good people (Walster, Berschield, and Walster 1973), enhance self-esteem (Weinstein and Ryan 2010), and increase happiness (Dunn, Aknin, and Norton 2008; Harbaugh, Mayr, and Harbaugh 2007). CRM specifically benefits individuals through both acquiring the product and engaging in the donation process, both of which generate positive affect (Strahilevitz and Myers 1998). Thus, requiring consumers to be more actively

involved in CRM promotions could potentially enhance the psychic benefits from helping others. Therefore, consumers could show positive intentions to participate in CRM campaigns that require effort to co-sponsor a cause. Next, research on personal costs associated with helping others is explored.

Effort required from consumers: The Harms

Despite the possible benefits of actively engaging consumers, CRM campaigns could be perceived as costly to consumers. When CRM promotions require active consumer participation the personal costs associated with helping the cause increase. The personal costs incurred by helping others or acting prosocially has been examined in terms of physical energy (Weyant 1978), distress (Piliavin, Piliavin, and Rodin 1975), money (Wagner and Wheeler 1969), and time (Piliavin, Piliavin, and Rodin 1975). The combination of personal costs and a desire to behave prosocially causes consumers to experience dissonance (Chatzidakis, Kastanakis, and Stathopoulou 2014). Past research on prosocial behavior has also documented that costs associated with personal time and money can negatively impact individuals intentions to engage in prosocial behavior (Piliavin, Piliavin, and Rodin 1975; Shaw et al. 1994; Tyler, Orwin, and Schurer 1982; Wagner and Wheeler 1969).

As just discussed, when CRM campaigns require a great deal of time and effort for the consumer to complete, individuals will experience dissonance between their desire to help the sponsored cause and their aversion to the personal cost. This raises the question of how consumers reconcile their desire to help and feel like a moral person with the aversive effort requests. Cognitive dissonance theory would suggest a coping mechanism could be activated to reduce the tension. Building on cognitive dissonance theory (Festinger 1967), it is proposed that individual consumers are motivated to "solve" dissonance by redefining the situation. As

individuals tend to view themselves as good and moral (Bandura 1999; Mazar, Amir, and Ariely 2008), their motivation to defend this self-view may lead to denying the importance of the cause because "people are motivated to search for beliefs and rules that support the interpretations they desire" (Paharia, Vohs, and Deshpandé 2013, pg. 81). Multiple theories related to altruism, prosocial consumption, and ethics help explain how consumers distort their views and evaluations of situations in order to pursue their self-interested agenda.

Motivated reasoning is powerful enough to allow people to behave unethically and still view themselves as a good, moral individual. Moore and Tenbrunsel (2014) aptly described this type of moral reasoning as "having your cake and eating it too" (pg. 140). Some scholars view moral reasoning as a post-hoc process that serves simply to rationalize a decision already made based on intuition and not conscious reasoning (Haidt and Hersh 2001; Haidt, Koller, and Dias 1993). Paharia, Vohs, and Desphandé (2013) examined when motivated reasoning was more likely to occur within the context of choosing products with unethical features, like garments produced with sweatshop labor. The studies find that product desirability increased consumers' self interest and made them more likely to justify choosing an unethical product. In the context of CRM campaigns, we expect that increased personal costs will lead to a decrease in perceived importance of the needy cause. Ultimately this would allow consumers to justify their unwillingness to expend effort for a good cause.

Specifically, we expect this motivated reasoning to include defensive denial. Schwartz (1977; 1980) introduced the process of defensive denial, which suggests individuals will avoid offering aid to others when doing so is personally costly. Moreover, individuals distort the situation in order to deny the reality of the need. Schwartz (1980) explained that this strategy "neutralizes feelings of moral obligation in the situation of behavioral choice…" (pg. 442) and

allows individuals to deny personal responsibility to behave prosocially. Defensive denial has been used in prior research to successfully explain and predict volunteering (Schwartz, 1980) and energy conservation (Tyler, Orwin, and Schurer 1982).

Tyler, Orwin, and Schurer (1982) examined prosocial behavior in the form of energy conservation. The authors hypothesized that when the personal costs of conserving were high individuals would engage in defensive denial and redefine their beliefs about the importance of conservation. Phone interviews were conducted that either made no specific mention of personal costs or described both the need to make difficult lifestyle changes and raise taxes on energy costs. Participants then reported how serious they thought the energy crisis was. Next, the interviewers asked participants if they would be interested in receiving free booklets on energy conservation. This response was used as a measure of behavioral intention. The results found that when personal costs were high, participants reported the energy crisis as less serious and had were less likely to request additional information. These findings support individuals' use of defensive denial when faced with high personal costs.

Additional research on ethical consumerism has examined similar consumer behavior. Chatzidakis, Kastanakis, and Stathopoulou (2014) examined the attitude – behavior gap found in the poor sales performance of ethical products, an issue plaguing academics and practitioners. These authors were specifically interested in why consumers continually express the importance of fair trade products meanwhile their purchasing behavior fails to support this value. This phenomenon is widely cited by scholars (Bird and Hughes 1997; Cowe and Williams 2000; Strong 1996). In order to explain these inconsistencies the neutralization theory was integrated with the theory of planned behavior. Sykes and Matza (1957) introduced neutralization theory which explains how individuals rationalize behavior that is in conflict with norms, values, or

previously expressed attitudes. This theory has been frequently cited to explain immoral behavior, or in some instances the absence of prosocial behavior (Minor 1981; Copes 2003). The theory categorizes five techniques individuals use to rationalize behavior: denial of responsibility, denial of injury, denial of victim, condemning the condemners, and appeal to higher loyalties. Chatzidakis, Kastanakis, and Stathopoulou (2014) conducted exploratory interviews to develop the conceptual framework and assess what neutralization techniques consumers most commonly used to justify not purchasing fair trade products. The authors specifically mention the relatedness of defensive denial and neutralization. The interviews provided support for their prediction that neutralization techniques lead to lower intentions to support fair trade, which is a type of prosocial consumption that would be comparable to buying products associated with CRM programs.

Rubaltelli and Agnoli (2012) also examined personal costs associated with prosocial behavior. However, instead of fair trade products these authors looked at more general helping behavior. These studies examined participants' willingness to donate money to help people in impoverished parts of the world pay for medication. It was found that individuals experience distress when trying to decide whether to pursue their own self-interest by saving money or to give in to a moral obligation and provide financial aid. They find individuals use two types of emotional regulation, cognitive reappraisal or expressive suppression, to resolve the conflict of saving ones money or helping others.

The overarching premise of both defensive denial and neutralization is that when individuals are motivated to *not* choose an optimal behavior, they can rationalize their choice in order to maintain a positive self-concept. In the present research context we are interested in how people respond to CRM campaigns that are taxing for consumers to complete. The optimal

choice would be for consumers to participate in order for the cause to receive the donation. However, it is expected that at high levels of personal costs individuals will engage in defensive denial and devalue the sponsored cause. This would allow them to justify their nonparticipation and not have to adjust their self-concept in any way. Specifically, we anticipate that consumers will report the cause as less important, as the campaign requirements become more time consuming and effortful. Thus, we formally hypothesize:

> Hypothesis 1: Effort requirements have a negative effect on perceptions of cause importance.

The Mediating Roles of Cause Importance and Perceived CSR

The literature on CRM has established consumers' perception of the focal cause as an integral element of CRM success. Formally defined cause importance is, "the degree to which consumers find the cause to be personally relevant to them" (Grau and Folse 2007, pg. 20). Consumers differ, based on personal experience or values, in how important and relevant a particular cause or social issue is to them. For example, one individual may have family members affected by cancer while another may value healthy lifestyles and incorporate that value into their self-concept (Grau and Folse 2007). Cause importance is vital to CRM success because it acts as the motivator for consumer participation. Historically cause importance variable has been treated as a static construct. Ellen, Mohr, and Webb (2000) examined how consumers view natural disasters as compared to other types for social issues. The findings of the authors' research indicated that, in general, consumers place more importance on natural disasters. Grau and Folse (2007) examined how to motivate less involved consumers to participate in CRM. Across two experiments the authors manipulated how the CRM message was framed and whether the cause was local or national. Positively framed messages about local

causes successfully engaged consumers in the low cause importance category. Cause importance serves as a motivator to encourage consumers to participate, because they value the cause.

Consumers' connection with a cause also relates to their identification with a charity. Winterich and Barone (2011) examine when consumers prefer discounts or donations to causes. Five studies explored congruence between consumers and the sponsored cause in CRM promotions. Cause-identity congruence relates to cause importance, but is more specific because it incorporates the individuals' perception of their social identity. University students were used as subjects and manipulated cause-identity congruence by varying if the cause was associated with the university, congruent, or was independent from the university and local community, incongruent. Participants were more likely to choose a donation style promotion, rather than a discount promotion, when the cause was congruent with their social identity.

On a basic level, an individual's behavior is a result of the anticipated outcome and the attractiveness of the outcome (Atkinson 1964; Eccles and Wigfield 2002). Therefore, the more important a consumer finds the cause the more attractive the outcome, the charitable donation, should be. Moreover, this positive evaluation of the outcome should impact how the company is evaluated. Because high cause importance consumers will have more favorable evaluations of the outcome, this transfer of positive attitudes should be stronger.

Barone, Norman, and Mayazaki (2007) document a similar transfer of affect in their study on the interaction of company-cause fit and cause affinity. Cause affinity was a general measure of consumers' attitudes toward the sponsored cause. Within the experiments fit was varied between the company and cause as either high or low. The results indicated that individuals with high cause affinity had constant evaluations of the campaign and purchase

intentions across the different levels of company-cause fit. Conversely, those with low cause affinity had less favorable evaluations and purchase intentions when fit was poor. These findings support the idea that consumers with high cause importance are more likely to respond positively to campaigns, regardless of extraneous factors.

Therefore, in the present research context consumers with high cause importance should perceive the charitable donation as more attractive and motivating. Ultimately, consumers with high cause importance should be more motivated and willing to participate in the campaign. We posit the following,

H2: Perceptions of cause importance have a positive effect on intentions to participate in the promotion

It is also anticipated that perceived cause importance will influence participation intentions indirectly through perceptions about the company's social responsibility. Consumers who highly value the cause will also be more likely to evaluate the company as being socially responsible; because they are supporting a social issue the consumer cares about. Moreover, past research has established that companies must appear genuine and altruistic in order for consumers to respond favorably to CRM or other types of corporate philanthropy (Barone, Norman, and Mayazaki 2007; Folse et al. 2010). Perceived CSR, is defined as the perceived genuine concern a company has for a charitable cause (Brown and Dacin 1997). Motive perceptions associated with CRM are especially important because CRM promotions directly and obviously tie donations to sales, thus, creating a slippery slope for perceptions of exploitation to be aroused (Polonsky and Speed 2001). Moreover, the popular press is becoming more concerned with the transparency and honesty of CRM campaigns (Strom 2007). Past

research has established that consumers' who value the cause sponsored in CRM have more favorable evaluations of the campaign overall and also are more likely to participate in the campaign (Barone, Norman, and Mayazaki 2007; Koschate-Fischer, Stefan, and Hoyer 2012). Because these individuals are more likely to respond positively we expect they are more likely to also evaluate the company as caring and socially responsible. This implies that there is a positive relationship between cause importance and perceived CSR. Consequently, we present the following:

H3: Perceptions of cause importance has a positive effect on CSR perceptions.

Extensive research has examined the formation of CSR perceptions and how those perceptions impact consumer attitudes and behaviors. CSR associations, are a reflection of the "organization's status and activities with respect to its perceived societal obligations" (Brown and Dacin 1997; pg. 68). CSR associations can be thought of as "the character" associated with the company and how they choose to address or ignore important social issues (Brown and Dacin 1997; pg 69). These associations have been found to make companies more likeable and trustworthy (Aaker 1996; Hansman 1981). Additionally, companies viewed as socially responsible tend to have consumers who are less price sensitive and more brand loyal (Green and Peloza 2011; Marin, Ruiz, and Rubio 2009). Recent research by Chernev and Blair (2015) proposed a powerful "halo effect" produced through a company's CSR activity. Across a series of studies the authors tested if product performance evaluations could be improved by CSR activities. This relationship was continually supported in the presence of actual product performance information. For example, in one of the studies participants evaluated a wine as tasting better when they learned about the philanthropy done by the company. However, this "halo effect" was only for companies perceived as having altruistic and not self-serving

motivations. This same contingency effect has also been supported for company image improvements (Sen and Battacharya 2001; Wagner, Lutz, and Weitz 2009; Yoon et al. 2006). This finding is relevant to the current research because it illustrates the influence CSR exerts on consumers experience with the company and their products. If CSR associations can improve product evaluations then they should also improve participation in CRM campaigns. Conversely, if the consumer views the company as self-serving and exploiting the cause they would not be likely to participate. In summary, a company viewed as genuinely interested in helping others should be more likely to engage consumers in a CRM promotion. Leading us to predict:

H4: CSR perceptions have a positive effect on participation intentions.

We expect that the amount of personal effort required by a campaign ultimately effects consumers participation intentions. As previously explored we predict that this relationship will occur indirectly through cause importance and CSR perceptions, as illustrated by Figure 1. As effort requirements increase, consumers may perceive the cause as less important. Cause importance influences how socially responsible the company is viewed as and also motivates consumers to actually participate in the promotion. CSR perceptions additionally impact whether or not consumers intend to participate in the CRM promotion. Formally stated:

H5: The effect of effort on participation intentions is mediated by a) cause importance individually b) and sequentially by *both* cause importance and perceived CSR.

3. RESEARCH METHODOLOGY

In an effort to provide a comprehensive understanding of CRM campaigns, I conducted a qualitative interview with a manager experienced with CRM promotions that required considerable effort from consumers. The objectives of the interview was to gain insight into what factors managers consider important currently and how they interpret consumers' response to CRM promotions. The purpose of the current research is to understand what drives consumer behavior and the specific psychological processes that occur. However, it is useful to gain a more holistic picture of how CRM decisions are made and how managers view consumer behavior.

In order to test the presented hypotheses two experiments are presented. Existing scales from the literature are used, and a pretest is used to determine the stimuli. Methodology for analyzing the dual mediation model is described. Findings and a discussion are presented.

Qualitative Interview

Because this is a relatively unexplored area of research I conducted a qualitative interview to gain a deeper insight on the topic. Below are selected findings from an interview with a marketing manager from Heinz. Since 2010, Heinz has been running their "Our Turn to Serve" campaign that requires consumers to participate for donations to be made. The campaign sponsors the Wounded Warrior Project and directs consumers to a campaign website where they can complete a "thank you" letter to a veteran or active military service member. One dollar is donated for every card filled out. Additionally, Heinz asks individuals to "share" the link on their

Facebook page for an additional fifty-cents to be donated. The campaign runs annually around Memorial Day and Veteran's Day. Management from Heinz and Wounded Warriors felt that consumers are often unsure of how to get involved in honoring Veteran's Day. The campaign was designed with the hope of giving consumers' an easy way to give back. During the interview with a Heinz manager she commented that,

> "There were a few reasons to get consumers involved with the promotion. First, we wanted them to feel like they were doing something good. Participating in the program let's them express their gratitude and give back to the people that protect our country. Second, we thought the campaign was creative and would stand out against other types of cause-related marketing."

The company plans to continue running the campaign but also has ideas to improve the program to keep it fresh. The promotion has already grown and evolved during in its four-year tenure. Specially marked ketchup bottles were distributed only through food service channels for the first three years. In 2014, they expanded the promotion to include distribution through regular consumer channels. Heinz collaborates closely with management from Wounded Warriors who also sends out their own promotional messaging about the campaign. The manager expressed how important it has been to make sure the promotion aligns with the values of both Heinz and Wounded Warriors. This real-world example presents insight into marketers' motivation for requiring engagement from consumers. Heinz chose a cause that consumers cared about and gave consumers multiple ways to support the cause. By filling out the card online they triggered both a monetary donation and the personal gratitude expressed in the card. Additionally, consumers had the option of sharing the link on social media to increase awareness surrounding the promotion and trigger an additional donation. The manager did say that they had a fair

amount of attrition with the last step of the promotion. In conclusion, requiring consumer participation is a valuable tool that managers are using in a variety of formats.

4. STUDY 1

Study 1 tested how individuals respond to CRM campaigns that require their time and effort to complete the donation process. Consistent with Hypothesis 1, it was predicted that participants would report the cause as less important when personal costs were high. Additionally, it was anticipated that how important consumers felt the cause was would impact their evaluation of the company's CSR (Hypothesis 3) and motivate their intentions to participate in the campaign (Hypothesis 2). CSR perceptions were also proposed to determine CSR evaluations (Hypothesis 4). Study 1 also tested if the effect of effort requirements on participation intentions is transmitted through cause importance and CSR Perceptions (Hypothesis 5a and 5b). Effort was manipulated by a promotion description that varied how long the required task, a survey, would take to complete. The task chosen was generated from the pretest. Each scenario described the brand's (Paul Mitchell) pledge to make a donation to American Forests with the purchase of a product (Tea Tree hair care line) and also task completion. Utilizing Paul Mitchell, a hair care company, is in line with prior CRM research (Folse et al. 2010).

Participants and design

One hundred and seventy-five undergraduate students participated in the study for course credit at a large southern university. The average age of the participants was 21.22 years (*SD* = 1.48 years) and 55% were female. Participants were randomly assigned to one of four conditions (Effort: no task required (control), 5 minute survey, 10 minute survey, 20 minute survey) in a between-subjects design.

Procedure

A pretest was conducted with 45 student participants to determine the appropriate manipulation of effort. Participants read in random order about a CRM promotion that would require 5, 10, or 15 minutes of effort to complete. They then ranked how effortful completing the requirements would be with the same 6 items (Cronbach's Alpha = .88). A sample item from this scale includes, "Participating in the sponsorship of the American Forests with Paul Mitchell will take a lot of my personal time" (Dabholkar 1994; Dabholkar and Bagozzi 2002). A test of within-subjects revealed a significant linear trend across the effort conditions tested ($F(1,44) = 14.72, p < .005$) and a quadratic trend was nonsignificant ($F(1,44) = 0.02, p = .90$). As the time requirements of the promotion increased participants reported the promotion required more personal effort, work, and time. The believability ratings for the three scenarios chosen ranged from M = 4.5 to 4.9 on a seven-point scale.

In the actual study participants reported their attitudes toward Paul Mitchell before reading the scenario manipulation. They were next asked to read a short description of a CRM promotion and evaluate it. All subjects read a brief description of the company and sponsored cause. Following the description, the control subjects also read, "Paul Mitchell will make a

donation to American Forests if you purchase a product." The other three groups read the following: "Paul Mitchell will make a donation to American Forests if you purchase a product, visit the company's website, enter a code from the product packaging, and take a (5, 10, or 20) minute survey consisting of (20, 50, or 100) questions." The full stimuli can be seen in the Appendix. Participants then proceeded to answer items measuring the dependent measures: attitudes, participation intentions, and cause importance. The survey concluded with demographic measures.

Dependent Measures

The full scale items used are included in the Appendix.

Attitudes. Participants first reported their attitudes toward Paul Mitchell. Attitudes were measured using four seven-point semantic differential scales (Cronbach's α = .97) with the anchored from 1 = bad to 7 = good, with additional items anchors being awful/nice, unfavorable/favorable, and harmful/beneficial (Wheeler et al. 2005).

After reading the scenarios a second measure of attitudes was taken toward Paul Mitchell (Cronbach's α = .95) and also attitude towards American Forests (Cronbach's α = .94).

Cause importance. To measure cause importance we used four seven-point semantic differential scales (Cronbach's α = .95). Participants were asked to evaluate American Forests on each item. Responses were given on seven-point scales with anchors 1 = Is an unimportant cause to me; 7 = Is an important cause to me or 1 = Means nothing to me; 7 = Means a lot to me (Grau and Folse 2007; Koschate and McQuitty 2012).

CRM intentions. Next participants reported their intentions to participate in the CRM campaign with four questions (Cronbach's $\alpha = .90$). Sample items from this scale are: "I would consider purchasing Paul Mitchell products in order to provide help to the cause." and "It is likely that I would contribute to this cause by getting involved in this cause-related marketing campaign." The anchors of the scale were: 1 = strongly disagree and 7 = strongly agree (Grau and Folse 2007; Folse et al. 2010).

Perceived CSR. To understand how the subjects viewed the company and campaign we measured perceptions of corporate social responsibility with five seven-point items (Cronbach's $\alpha = .92$) with the anchors 1 = strongly disagree and 7 = strongly agree. Sample items include: "I think this company has legitimate interest in this cause." and "This is a socially responsible company." (Brown and Dacin 1997; Folse et al. 2010).

5. RESULTS

Overall, all participants reported that they were likely to participate in the CRM pledges, as indicated by average scores significantly exceeding the midpoint of the scale (4.78 vs. 4, $t(199) = 9.64$, $p < .001$). More germane to the hypotheses, however, those in the low effort condition (5-minute required) showed the highest intention to participate ($M = 5.11$) compared to those in the moderate (10-minute required ; $M = 4.78$) and the high (20-minute required ; $M=4.70$) effort conditions. Although individuals in the higher effort conditions showed the lowest intention to participate, their participation intentions were still positive compared to the midpoint of the scale (4.70 vs. 4, $t(66)= 4.36$, $p < .001$). The aforementioned means can be found in Table 1 with standard deviations.

Table 1: Study 1 summary of mean responses as a function of the effort required by the CRM campaign

	Effort Level			
	Control	5 minutes	10 minutes	20 minutes
N	43	66	67	67
Cause importance	4.76 (1.26)	4.75 (1.30)	4.21(1.24)	4.23(1.26)
Perceived CSR	5.18 (0.99)	5.21 (1.23)	5.11 (1.03)	5.05 (1.07)
Participation intentions	5.06 (1.21)	5.11 (1.19)	4.78(1.27)	4.70 (1.31)

Note: SDs are in parentheses following means. All scales range from 1 to 7 with higher numbers reflecting more favorable intentions or perceptions.

To test the hypotheses that CRM effort impacts participation intentions indirectly through cause importance and CSR perceptions, a significance test was conducted of the omnibus indirect effects of the proposed mediators (Preacher and Hayes 2008). A bootstrap technique was utilized to test both mediators and derive confidence intervals for the indirect effects and direct effects; the analysis was conducted with 5,000 resamples and a 95% confidence interval. The results supported both proposed mediators. Figure 2 depicts the dual mediation model with path coefficients and p values. The direct effect of CRM effort (control, 5 min, 10 min, or 20 min) on perceived cause importance was significant and negative as predicted (coefficient =-.090, SE = .04, p = .043, 95% CI [-.32,-.02]), thus supporting H1. This devaluation effect can be seen in Figure 3. H2 predicts cause importance positively influences intentions to participate in the promotion. This relationship was found to be significant (coefficient =.372, SE = .06, p < .004, 95% CI [.22 , .42]). As participants felt the cause was more important, they were more likely to participate in the promotion. H3 predicted that cause importance also positively influenced perceptions about the companies CSR and was also supported (coefficient =.238, SE = .06, p < .004, 95% CI [.05 , .26]). H4 proposed that the ultimate dependent variable, participation intentions, was positively related to CSR perceptions. This hypothesis was supported (coefficient =.570, SE = .06, p < .0004,. 95% CI [.48 , .71])

The indirect effect of CRM effort (control, 5 min, 10 min, or 20 min) on participation intentions *through* perceived cause importance (H5a) was tested and found to be significant (effect =-.033, SE = .03, 95% CI [-.12,-.01]). Additionally, the indirect effect of CRM effort (control, 5 min, 10 min, or 20 min) through *both* mediators, cause importance and CSR, was significant (effect =-.012, SE = .01, 95% CI [-.04,-.002]) supporting H5b. Thus, there is support for the path from CRM effort → perceived cause importance → participation intentions (H5a)

and also for the dual mediation model CRM effort → perceived cause importance → perceived CSR → participation intentions (H5b). The R^2 also provides support for the predictive power of the mediators (R^2 = .48). Although not hypothesized, the direct effect of CRM effort on participation intentions is nonsignificant (coefficient =-.021, SE = .03, 95% CI [-.08, .04]). Also not hypothesized was the direct effect of effort requirements on CSR perceptions. This relationship was nonsignificant (coefficient = .003, SE = .06, p = .930, 95% CI [-.07 , .07]). Additionally CSR was tested as a mediator between effort and participation intentions. This indirect effect was nonsignificant (effect =.002, SE = .02, 95% CI [-.03, .04]).

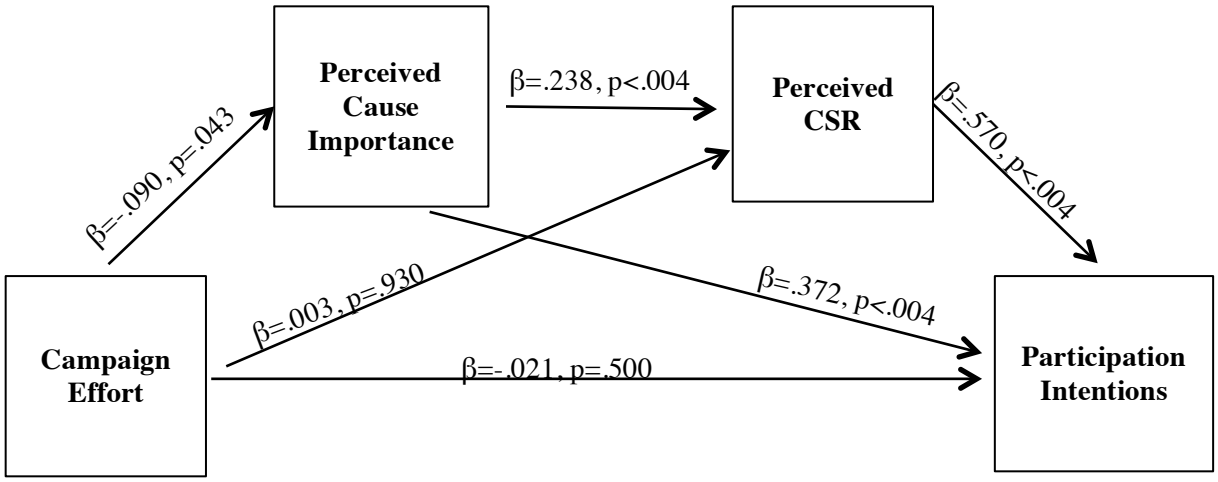

Figure 2: Study 1 serial mediation model with path coefficients and p values

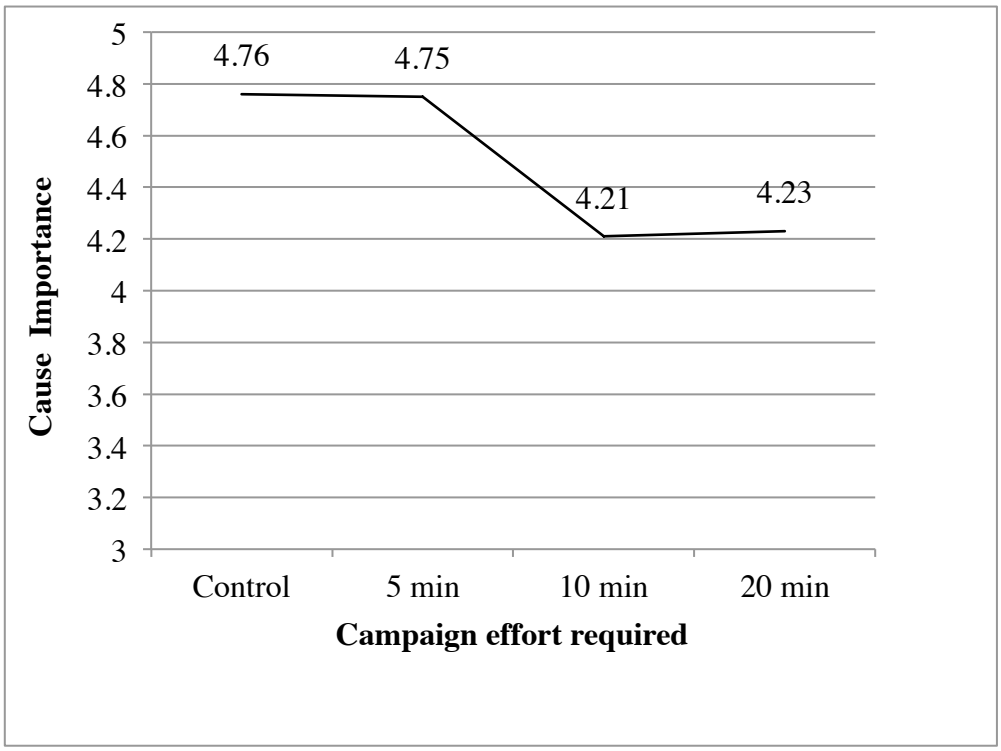

Figure 3: Study 1 cause importance as a function of campaign effort

6. DISCUSSION

In Study 1 we investigated if CRM campaigns with high personal costs, in the form of time requirements, could lead consumers to utilize a defensive denial technique, in this case, devaluing the importance of the cause as required effort increased. As predicted, as the campaign required more personal time, consumers evaluated the cause as less important, supporting Hypothesis 1. It seems that consumers justified their desire to not participate by framing the issue as unimportant. Thus, it appears that defensive denial is the process consumers use to justify not participating when doing so would be personally costly. The mediation analyses support the important roles of both cause importance and perceived CSR in determining participation intentions, which supports Hypothesis 5a and 5b. Specifically, the relationship between CRM effort and participation intentions is only significant when transmitted through cause importance. The results suggest that cause importance serves as the motivator for consumers' ultimate decision of whether or not to participate. Moreover, the indirect effect of cause importance on participation intentions is partially mediated by CSR perceptions. Therefore, cause importance also determines how consumers view the company's motives in hosting the campaign (H3). The more involved consumers feel with the cause the more likely they are to evaluate the company's motives favorably. The results of Study 1 support the theory that consumers use motivated reasoning and rationalization strategies when CRM promotions are associated with high personal costs.

We next explore how to avoid the devaluation response in order to engage consumers in pro-social behavior and build commitment to CRM programs. Many companies allow consumers to choose the cause to receive CRM donations and this tactic has had noteworthy success. For example, General Mill's "Box Tops for Education" success is an example of the value of allowing consumer to choose where the donation is made. Box Tops requires consumers to turn in a portion of the product packaging to whichever school they would prefer should receive the donation. Since the program's inception in 1996 total donations exceed $475 million (Box Tops for Education 2015). Therefore, the inclusion of consumer choice is important and relevant both theoretically and practically.

7. STUDY 2

The results of Study 1 support the theory that consumers use motivated reasoning and rationalization strategies when CRM promotions are associated with high personal costs. The purpose of Study 2 is to introduce a new variable, consumer choice, in order to further understand consumers' use of defensive denial strategies. Many companies allow consumers to choose the cause to receive CRM donations and this tactic has had noteworthy success. For example, General Mill's "Box Tops for Education" success is an example of the value of allowing consumer to choose where the donation is made. Box Tops requires consumers to turn in a portion of the product packaging to whichever school they would like to receive the donation. Since the programs inception in 1996 total donations exceed $475 million (Box Tops for Education 2015). Therefore, the inclusion of choice in Study 2 is important and relevant both theoretically and practically.

The Positive Influence of Consumer Choice

The implications of individual choice have been examined in a variety of different contexts. Choice has the ability to make people feel more in control (DeCharms 1968; Wortman 1975), increase personal attachment to the option (Carmon, Wertenbroch, and Zeelenberg 2003; Thaler 1980), and increase perceptions of personal involvement or causality (Botti and McGill 2006, 2011). It is proposed that when consumers are given the option to choose the benefitting cause their tolerance for effort demands increases. Robinson et al. (2012) examined choice in a CRM setting and proposed that consumers' perceived personal role in helping would increase,

thus leading to more favorable CRM outcomes like willingness to pay. The authors conducted a field study and four lab experiments to test how consumers' respond to CRM campaigns that allow them to choose the benefitting cause. The authors' results indicate that the inclusion of choice can increase purchasing behavior and reported WTP, regardless of how consumers evaluate the actual causes. Moreover, the authors found that choice compensated for a weakness of the campaign, poor fit between the company and cause. Fit has been studied extensively in CRM research and continually found to be important for positive consumer response (Kuo and Rice 2015; Pracejus and Olsen 2003; Rifon et al. 2004). Thus, choice has the potential to be a powerful CRM campaign element.

Based on the positive influence of choice it is expected that consumers will respond differently to CRM effort demands when they can choose the sponsored organization. Notably, choice has been shown to make consumers feel like they are making a valuable contribution (Robinson et al. 2012). In addition, consumers would likely feel they have greater control over the process. Research on coproducing has found that consumers enjoy feeling in control and like they are active contributors to an outcome (Franke, Scheirer, and Keiser 2010). These findings would likely also apply to the present research context. Consumers would likely be more tolerant of effort demands when they perceived they had greater control over the process and were making more of a contribution.

Research on motivated reasoning would also support this theorizing. Motivated reasoning, like defensive denial, takes cognitive resources for individuals to engage in (Paharia, Vohs, and Deshpandé 2013). Recall that Study 1 found consumers devalued the cause when the CRM promotion required moderate or high effort. When given the ability to choose the donation recipient we expect consumers will no longer devalue the cause. Based on the positive feelings

choice generates and the shift in consumers focus, it is expected that the effect of effort on cause importance will be dependent on the presence or absence of choice. Thus we hypothesize that:

H6: Choice moderates the relationship between effort requirements and cause importance.

Participants and design

Two hundred and forty-seven undergraduate students participated in the study for course credit at a large southern university. The average age of the participants was 21 years (*SD* = 6.85 years) and 58% were female. Participants were randomly assigned to one of same four conditions used in Study 1 (Effort: no task required (control), 5 minute survey, 10 minute survey, 20 minute survey) in a between-subjects design.

Procedure

The procedure used was the exact same as Study 1 except the donation would be made to *either* American Forests or the National Parks Conservation Association. A short explanation was given about each organization and the participants were told they could choose which organization would receive the donation. The full stimuli can be found in the Appendix. These organizations were chosen because both address environmental issues. Additionally, the participants were randomly assigned to the same effort conditions used in Study 1: control, 5 minute, 10 minute, and 20 minute conditions were tested. Respondents then responded to the dependent measures and demographics.

Dependent Measures

The measures for attitude toward the Paul Mitchell, CSR perceptions, and participation intentions, were all consistent with those from Study 1. The reliabilities for the aforementioned scales were all acceptable (Cronbach's $\alpha > .88$). Cause importance was measured slightly differently for Study 2, because two organizations were used in the scenario. Participants were presented with the statement, "Environmental causes (like American Forests and the National Parks Conservation Association) are:" and were asked to respond to the same four, seven-point semantic differential items from Study 1 (Cronbach's $\alpha = .95$). Additionally, we asked respondents to choose which organization they would want to receive the donations from the promotion to use as a possible covariate.

8. RESULTS

To test for moderation, effort required was the independent variable and was treated as a continuous variable. Choice was a dummy coded variable, present or absent, and will be introduced as the moderator with cause importance as the dependent variable. In order to test H6 the results from Study 1 and Study 2 were combined and dummy coded. Study 1 represented when participants were not given the option to choose the cause. Study 2 represented when participants were given the option to choose the cause to receive the donation. An interaction was tested between effort required and the choice variable and the dependent variable was perceived cause importance. This effect was found to be nonsignificant ($F(3, 422) = .660, p = .580$).

To better understand the influence choice has on consumer's tolerance for effort demands the simple effects were examined. Pairwise comparisons were conducted separately for each effort condition. These relationships were not hypothesized and are conducted post hoc. In the control condition, when no effort was required, the pairwise comparison for choice absent (M =4.76) and present (M = 4.92) was nonsignificant (p = .66, SE = .319). The same nonsignificant relationship was found when effort was low, at 5 minutes, (choice absent: M =4.75, choice present: M = 5.04, p = .30, SE = .261). When effort demands were moderate, at 10 minutes, we find a significant difference in perceived cause importance (choice absent: M =4.21, choice present: M = 4.83, p = .02, SE = .02). When effort demands were high, at 20 minutes, we find a

significant difference in perceived cause importance (choice absent: M =4.23, choice present: M = 4.83, p = .003). These comparisons are illustrated in Figure 4. The results suggest that the devaluation effect found in Study 1 at moderate and high levels of effort does not occur when consumers can choose the cause to receive the donation. To further examine this influence of choice trend analyses were conducted and compared between the choice present and choice absent conditions. When participants were not given an option to choose the benefitting organization they reported the cause as less important as the effort demands increased. This is supported by a significant linear relationship ($F(1, 175) = 6.24$, p = .013). The same relationship was not found for the group that was allowed the opportunity to choose. The linear trend was nonsignificant ($F(1, 247) = .481$, p = .489). This supports the assertion that when choice is present, perceptions of cause importance are not influenced by effort requirements.

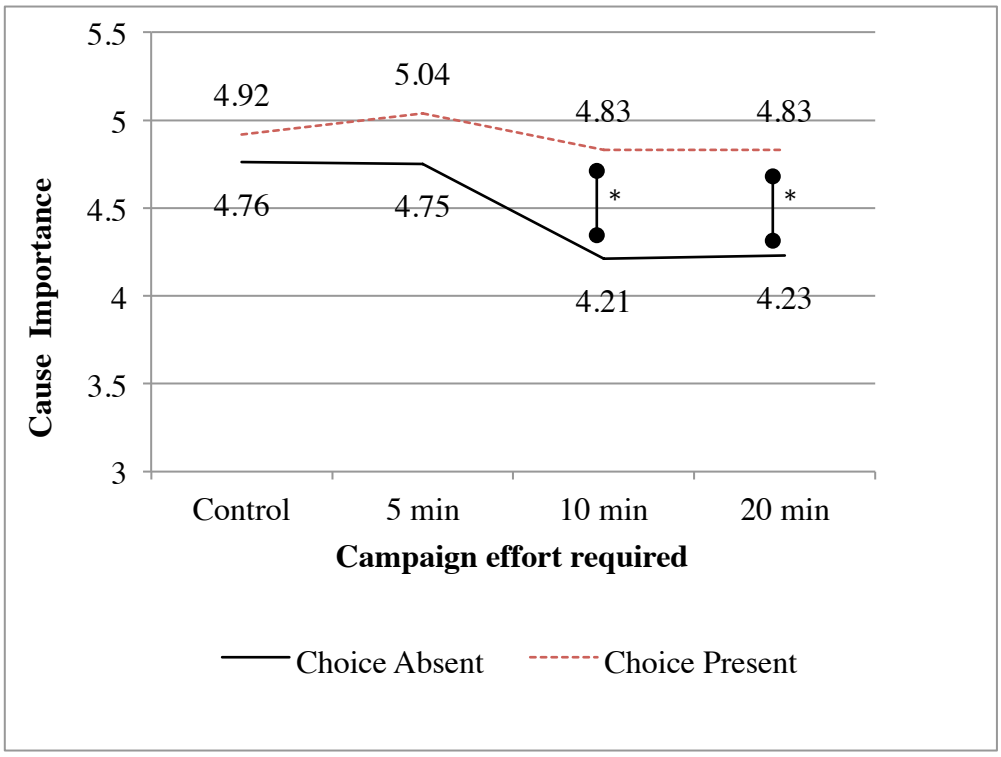

Figure 4: Study 1 and Study 2 cause importance

In Study 2, the promotion described two different organizations, as this was necessary to manipulate consumers' power to choose. Because this variable may have influenced consumers' perceptions of initial percept of cause importance this alternative explanation needed to be ruled out. By comparing perceptions of cause importance in the control condition we can establish that the choice present and choice absent groups were equivalent on this variable (choice absent: M =4.76, choice present: M = 4.92; p = .600). The paired comparison was nonsignificant, ruling out this alternative explanation. Participants valued the causes equally regardless of if they saw one or two organizations.

9. DISCUSSION

Study 2 tested whether or not consumers respond differently to personal costs associated with CRM promotions when they have the ability to choose the organization to receive the donation. Specifically, we tested if consumers are less likely to use defensive denial. We hypothesized that consumers given the option to choose would have more favorable perceptions about the cause when effort demands were moderate or high, as compared to when no choice was given. This hypothesis was not supported by a statistically significant interaction. However, the results of simple effects comparisons and trend analyses do suggest that choice influences how consumers respond to CRM promotions. In Study 1, a negative relationship is found between effort demands and perceptions of cause importance. In Study 2, we find that if the ability to choose is present consumers no longer devalue the cause when campaign requirements are high. The results suggest that managers can obtain the benefits of requiring a redemption behavior of consumers and maintain consumers' positive attitudes by including an element of choice.

10.GENERAL DISCUSSION

This research adds to the knowledge of how individuals react to personal costs associated with acting prosocially in a consumer setting. Specifically, we provide insight into consumers response to CRM promotions that require active participation from the consumer. Findings are presented supporting consumers' use of motivated reasoning and reframing of the situation to rationalize nonparticipation. This was indicated by the negative relationship between effort requirements and perceived cause importance. Understanding the actual process consumers use to avoid participating in the CRM program has valuable implications for both theory and practice. As such, we make a meaningful contribution to the theoretical understanding of rationalization strategies like defensive denial. This research also provides an explanation for past studies that have documented consumers' negative response to CRM demands (Folse et al. 2010). Support was found for our hypothesis that cause importance and CSR perceptions mediate the effect of effort demands on participation intentions. Establishing how and when consumers view personal costs negatively sets the foundation for exploring strategies to mitigate the potential harm. Study 2 begins to address this important topic. Allowing consumers to choose the sponsored cause might effectively alleviate consumers' aversion to high personal costs.

Based on the results of Study 1 we have an understanding of how consumers respond to CRM campaigns that require their personal involvement, time, and effort. Moreover, we the process underlying the response is uncovered. The results for participation intentions are above

the midpoint of the scale. This would complement past research on co-producing, and the "Ikea Effect", that asserts consumers' use of personal time and effort can be advantageous (Norton, Mochon, and Ariely 2011).

The studies presented in this research are limited in that they only explore one type of CRM task, specifically a survey. It is possible that consumers would respond differently based on what the task entailed and who benefited. For example, it is not uncommon for CRM campaigns to require consumers to share a message about the cause on social media to raise awareness. This type of participation may increase the perceived contribution consumers are making. Cryder, Loewenstein, and Scheines (2013) found that how individuals perceive their impact on an issue is vital, because this ultimately determines how likely they are to make charitable contributions. Additionally, this would improve external validity as many companies, like Heinz use the tasks to enrich consumers perceived impact. To address this gap, future research may consider testing effort in other forms. Similarly, future research should examine a variety of causes. The studies presented in this research all used environmental causes as the donation recipients. Causes with stronger emotional ties, like Susan G. Komen or the Wounded Warriors, may function differently. For example, consumers may be willing to expend more effort for causes they have a personal connection to. Research by Winterich and Barone (2011) find that consumers' social identities greatly influence their engagement with CRM promotion. Exploring if defensive denial would be used when consumers are more connected with the cause is important for the generalizability of the presented findings.

An additional limitation is that the studies used relatively low involvement products. The findings may not generalize to high involvement or hedonic products. Strahilevitz and Myers (1998) examined CRM and found purchase intentions for products differed based on if the

product was utilitarian/hedonic in nature. Future research should test the effort effect found in this study across different types of products.

In a real world setting only a portion of consumers would actually choose to participate. The current studies are limited in that they only examine the effects of imagined participation with a CRM campaign. Actual involvement with a CRM campaign might produce different effects. Also, this research does not examine what individuals choose to complete the CRM tasks and why. Future research should examine the individual difference variables that drive consumer participation. Based on the findings of Reed et al. (2007) we anticipate high moral identifiers to be more prone to actively participate in CRM campaigns, because they prefer donating time to money. Future research could investigate this and other individual difference variables.

The findings from Study 2 provide some support for the positive influence of empowering consumers to choose the organization to receive the donation. The results suggest that consumers are more receptive to high effort demands when they have more say in the process. Future research should further examine the interaction between effort demands and consumer choice.

Managerial Implications

Practitioners benefit from these findings in multiple ways. Understanding the effects of CRM campaign elements can help marketers obtain better results from their efforts. This research suggests that actively involving consumers is not poorly received by consumers, as long as the requirements are not excessively time consuming. With the growing popularity of firms utilizing CRM, this style of campaign may help firms differentiate their promotions. Additionally, requiring a rebate element is a more cost effective strategy and it provides rich

consumer data for customer relationship management (Polonsky and Speed 2001). From a long term planning perspective, managers can track campaign performance to refine their CRM strategy and evolve programs to match consumer preferences. The example utilized in Study 1 and 2 required consumers to visit the brands website. This creates a captive audience to communicate product information, extend invitations for social media engagement, product promotions, or a myriad of other call to actions. Additionally, if future research can begin to identify the types of people who participate in CRM, those messages can be specifically tailored to fit that audience.

Another important consideration for CRM strategy is whether to allow consumers to choose the organization to receive the donation. Study 2 may support that companies benefit both with improved images and intentions to participate in the promotion, as compared to promotions that do not allow consumer choice. Choice could be included in a variety of ways, although only one was empirically examined in this research. Consumers could have the option to choose what task to complete. For example they could have the option to share a link on their social media or sign up for a newsletter. Moreover, the tasks could be multi-stage. For example, Heinz "Our Turn to Serve" promotion first asked consumers to write a thank you letter to someone serving in the US Military. Completing the letter online triggered a $1 donation. After submitting the letter individuals were asked to share the campaign on their social media for an additional fifty-cent donation to be made.

When combined with the literature on sales promotions these findings have additional, valuable implications. Ailawadi and Neslin (1998) found that consumption rates, not just purchasing rates, were flexible and can be influenced by promotions. Thus, a successful CRM campaign has the ability to train consumers to consume more products, therefore growing a

product category. CRM has the potential to be a very powerful, long-term strategy tool for marketing managers.

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APPENDIX

SCALE ITEMS USED IN STUDY 1 AND STUDY 2

Table 2: Scales from Essay 1	
Construct	**Scale Items**
Cause Importance (Grau and Folse 2007; Koschate and McQuitty 2012)	• Is an unimportant cause to me/Is an important cause to me • Means nothing to me/Means a lot to me • Is personally irrelevant to me/Is relevant to me • Doesn't matter a great deal to me/Does matter a great deal to me.
Perceived CSR (Brown and Dacin 1997; Folse et al.2010)	• I think this company has legitimate interest in this cause. • This is a socially responsible company. • This company is a good corporate citizen. • Helping others appears important to this company. • This promotion benefits the cause more than it benefits this company.
Participation Intentions (Grau and Folse 2007; Folse et al. 2010)	• I think this cause-related marketing campaign is a good idea. • I would be willing to participate in this cause-related marketing campaign. • I would consider purchasing X in order to provide help to the cause. • It is likely that I would contribute to this cause by getting involved in this cause-related marketing campaign.

SCENARIOS FOR DIFFERENT EFFORT CONDITIONS

Low Effort Condition

Paul Mitchell's Tea Tree line of hair products is sponsoring American Forests, an organization that promotes reforestation.

After you purchase the product, you can choose to either take a survey or fill out a form to mail in. Either option will take you about 5 minutes to complete. Once you are finished Paul Mitchell will make a donation.

Medium Effort Condition

Paul Mitchell's Tea Tree line of hair products is sponsoring American Forests, an organization that promotes reforestation.

After you purchase the product, you can choose to either take a survey or fill out a form to mail in. Either option will take you about 10 minutes to complete. Once you are finished Paul Mitchell will make a donation.

High Effort Condition

Paul Mitchell's Tea Tree line of hair products is sponsoring American Forests, an organization that promotes reforestation.

After you purchase the product, you can choose to either take a survey or fill out a form to mail in. Either option will take you about 20 minutes to complete. Once you are finished Paul Mitchell will make a donation.

ESSAY 2

HOW “ONE FOR ONE” PRODUCT DONATIONS IMPROVE CRM PERFORMANCE

1. INTRODUCTION

CRM campaigns come in a myriad of forms and ultimately vary greatly with how successful they are (Garcia and Mujika 2003). Tom's shoes has become an iconic example of CRM success. Their "one for one" donation model has been an effective program imitated by many other companies in both related and unrelated product categories. The "one for one"[1] program matches products purchased by consumers with a donation of the same product to those in need. Tom's shoes has donated an impressive 35 million pairs of shoes to children across the world (Improving Lives 2016). Other companies to try out this tit-for-tat philanthropy include Walgreens, Warby Parker, and Sketchers. Warby Parker is a prescription glasses retailer that has also had enormous success with their "get one, give one" business model. The company was founded in 2010 and named number one in Fast Company's list of top 50 most innovative companies (Chafkin 2015).

This research seeks to uncover why consumers respond so positively to these campaigns. CRM research has analyzed what type of cause companies should sponsor at great length (Barone, Norman, and Mayazaki 2007; Kuo and Rice 2015; Pracejus, Olsen, and Brown 2003; Rifon et al. 2004), however what exactly should be donated has received far less attention. Limited research has addressed the implications of companies donating money vs. product (Ellen, Mohr, Webb 2000; Folse et al. 2014). Moreover, the findings are mixed on which type of donation consumers actually prefer, and currently no empirical research begins to explain the

[1] Throughout the research this type of CRM product donation is referred to interchangeably as "one for one", "give one, get one", or matched product donation.

huge success of matched product donations. Ellen, Mohr, and Webb (2000) find that when companies collect donations of products consumers perceive this as a willingness to exert more time and effort to help the cause. Conversely, Folse et al. (2014) found that consumers did *not* prefer product donations, because companies could be donating unsellable inventory or attempting to promote their brand.

The purpose of this research is to examine how consumers respond to "one for one" donation models specifically and compare consumer responses between product and cash donations. CRM campaigns that donate products matching those purchased by consumers are tested against campaigns that donate a comparable amount of money. Through two studies we explore the psychological processes that influence consumer response. Better understanding the mechanism underlying the huge success of "one for one" campaigns will provide a more holistic picture of what drives consumer altruism.

Research on the identified victim effect (IVE) may help explain the psychological process that causes consumers to be so engaged when matched product donations are present. This theory explains that people tend to be more responsive towards an identified individual in need compared to a larger, more anonymous grouping of people (Kogut and Ritov 2005a; Erlandsson, Björklund, and Bäckström 2015; Small, Loewenstein and Slovic 2007). For example. individuals are more generous when they know the victim's age and name (Kout and Ritov 2005a). Additionally, the IVE has been demonstrated when individuals have more details about the nonprofit's services compared to when the nonprofit information is more vague (Cryder, Loewenstein, and Scheines 2013). Lastly, research has found that the more people know about the victim and their surrounding area the more likely they are to donate (Zagefka, Noor, and Brown 2014). This body of research asserts that tangible and vivid information generates

empathetic feelings, and also makes individuals feel like the help they give will make a greater impact (Cryder, Loewenstein, and Scheines 2013). Empathy is an important driver of helping behavior and occurs when an individual compassionately takes another's perspective (Kogut and Ritov 2007). This is closely related to the interconnection associated with a feeling of "oneness" (Cialdini et al. 1997). The present research proposes that "one for one" CRM campaigns lead consumers to identify more strongly with the donation recipient, as compared to more abstract monetary donations. Moreover, this connection causes consumers to feel more empathy and perceive the donation as more helpful.

When consumers participate in "get one, give one" programs, they have direct contact with the same product being donated. Thus, consumers can easily imagine the donation recipient and feel a sense of oneness to them. For example, when an individual purchases TOMs shoes they can easily picture the same pair of shoes on someone across the world. In the present example vividness is not manipulated by a message from the company, but is rather an inherent element of the donation model. The IVE is a robust effect that has been replicated by multiple researchers (Kogut and Ritov 2005a; Erlandsson, Björklund, and Bäckström 2015; Small, Loewenstein and Slovic 2007). Given how instrumental this theory has been at explaining and predicting charitable giving it is imperative that we fully understand how the effect is driven. Therefore, this research contributes to the development of the IVE by testing if a matched product donation activates the same identification process.

The IVE has yet to be tested in a consumer or CRM context as prior research has concentrated on straight charitable giving (Kogut and Ritov 2005a; Erlandsson, Björklund, and Bäckström 2015; Small, Loewenstein and Slovic 2007). Traditional manipulations of the IVE require individuals to read and elaborate on information about a victim and their plight. From a

practitioner perspective connecting with busy, over stimulated consumers is arduous. This type of messaging is difficult to effectively communicate to consumers who are cognitive misers (Burnkrant 1976; Petty, Cacioppo, and Schumann 1983). Therefore, if there were a simple, elegant way to achieve the IVE it would be very valuable for marketing managers. Additionally, this research addresses if consumers can be made more receptive to distant causes. Past research has established that consumers tend to prefer donations to be made in their local area (Grau and Folse 2007; Vanhamme et al. 2012). This bias limits the causes companies might choose to support and poses a great challenge for organizations addressing global issues. We build on the theory of psychological distance and theorize that matched product donations reduce this perceived distance. Because "one for one" donation models generate affective responses and an interconnection to the recipients, we propose that the bias against distant or international causes is alleviated.

Study 1 tests the effect of donation type, matched product or monetary, on affective responses and perceived impact of the donation. Feelings of empathy and perceptions of oneness are combined to create a higher order construct, affective identification. Research supports the tight connection between these constructs (Cialdini et al. 1997). The present research combines them to capture both the perceptions of overlap with the donation recipient and compassionate feelings. Additionally this study tests if affective identification and perceived impact are positively related to attitude toward the cause. These constructs are tested as parallel mediators between donation type and attitude toward the cause promotion. Literature supports the distinction between these two constructs. Empathy is an affective response, whereas perceived impact relates to the utility derived from the donation (Erlandsson, Björklund, and Bäckström 2015). Study 2 further tests the effect of donation type by evaluating consumer response to local

vs. nonlocal donations. This study examines if consumers have improved attitudes towards distant causes when matched products are donated, as compared to monetary donations. Donation proximity is introduced as a moderator to the mediation model.

2. LITERATURE REVIEW, PROPOSED MODEL, AND HYPOTHESES

The literature reviewed in this chapter introduces existing research on CRM and donation type. Next, literature is introduced related to the IVE and factors that drive consumers to behave altruistically. Affective identification and perceived impact are proposed to mediate the effect of donation type on cause attitudes. Hypotheses are developed and a model is proposed. Figure 5 depicts the proposed parallel mediation model.

Cause-Related Marketing

Many factors impact the level of success CRM campaigns can achieve. The fit between the company and the cause (Barone, Norman, and Mayazaki 200), the donation amount (Koschate-Fischer, Stefan, and Hoyer 2012), and the type of cause (Grau and Folse 2007) have all been shown to be important to positive consumer response. Promotions that pair a product with a charitable donation can be more effective at generating sales than price discounts (Arora and Henderson 2007). The type of product featured in the CRM promotions influences the success of the promotion. Strahilevitz and Myers (1998) tested consumer response to hedonic or utilitarian products featured in CRM promotions. In a field study, sales for hedonic products were higher, because the donation neutralized the guilt consumers felt associated with purchasing frivolous products.

A few researchers have examined consumer response to different types of donations in CRM. When companies sponsor charitable causes they can choose to support the cause in a variety of forms. Monetary donations are common and can be explicated as a percentage of sales,

portion of profits, or a flat amount (Grau, Garretson, and Pirsch 2007; Kerr and Das 2013; Pracejus, Olsen, and Brown 2003). In-kind donations are nonfinancial and can be products, services (Lafferty and Browning 1993), or corporate volunteers (Muthuri, Matten, and Moon 2009). Product donations can be a more efficient contribution for the company because their expense is only the marginal cost associated with the product (Hellenius and Rudbeck 2003).

Donation Type

Ellen, Mohr, Webb (2000) compared cash and product donations across different types of retailers. However, this work differed from the current research because they assessed donations made by consumers that were *collected* and organized by the retailer which is less common in practice than donations made by the company (Folse et al. 2014). The authors were interested in how donation type would effect consumers' evaluation of the program. Donation type was intended to manipulate effort expended by the retailer. Literature on gift giving explains that monetary gifts are generally perceived as less caring, compared to other types of gifts (Douglas and Isherwood 1979). Participants were assigned to one of three donation conditions: cash, products related to the retailer, or products unrelated to the retailer. Taken together the results provided support for product donations being favored over cash. It seemed that, participants considered the time and effort associated with collecting the products and other necessary logistics. Comparatively, collecting cash required minimal effort from the retailer. The effect of product type, related or unrelated to the retailer, was inconclusive. The present research addresses donations made by companies of either cash or the company's products. Whether the company is asking for the donations from consumers or making the contributions themselves is an important distinction. Another crucial distinction the present research makes is in examining matched donations, like the Tom's Shoes One for One program.

Folse et al. (2014) also examined consumer preference for cash vs. product donations in CRM promotions, but predicted very different results from Ellen, Mohr, and Webb (2000). Additionally fit between the company, cause, and donation type were examined. It was theorized, based on the Persuasion Knowledge Model, that consumers would prefer cash donations. The argument presented was that product donations are less common and also seem like a less altruistic form of aid. Additionally, companies may be perceived as benefitting from the donation. First of all, the company may receive tax deductions from the donation and the products may be from an excess of unsellable inventory that needs to be liquidated. Second, if the company is donating branded products they may be seen as self-promoters looking to build brand awareness. For example, after a hurricane Coca-Cola might widely distribute Dasani water bottles to displaced victims. This influx of Coca-Cola products may be a marketing tactic to increase the visibility of the brand.

The independent variable was donation type and the three dependent variables of interest were: company attitudes, CSR perceptions, and participation intentions. The data supported the hypothesis that monetary donations produced more favorable CSR perceptions and participation intentions. However, the effect of product donation on attitude toward the company was nonsignificant. It is noteworthy that, although, the product group reported significantly lower CSR perceptions, the mean was still considerably higher than the midpoint of the scale. A control group was not included so we cannot evaluate if the product donation produced results that were actually below not making *any* contribution at all. Partial support was found for perceived company motives as a mediator. The mediation was significant for the relationship between donation type and perceived CSR, but not for the relationship between donation type and participation intentions.

The present research makes a valuable contribution by exploring specifically matched product donations and builds on the robust framework of the IVE. The empirical findings by Ellen, Mohr, and Webb (2000) and Folse et al. (2014) present conflicting evidence of how consumers respond to products donated in CRM settings. Folse et al. (2014) examined product donations, however the products donated did not match the consumers' purchase in either form or quantity. Notably both product donation conditions used a seemingly arbitrary number of products and would not create a commonality between the consumer and donation recipient. Recall that the current research examines "one for one" style donations, the consumer purchases a pair of glasses and a similar pair is donated to one needy individual. It is argued that matching both the form and quantity purchased by the consumer is important in driving consumer's identification with the needy recipient and the additional downstream effects like participation intentions. This theorizing is in support of Ellen, Mohr, and Webb's (2000) results and in opposition to Folse et al. 2014. However, the work of Folse et al. (2014) is advanced by further examining products that are congruent with the cause. For example, eyeglasses are donated to individuals in need of vision care. In the following, the intricacies associated with the IVE are explored and an argument is formulated to explain why product donations can produce more favorable consumer responses than cash donation.

The Identified Victim Effect

The IVE explains why people tend to be more generous towards a single, identified person than either a group of people or an unknown individual (Erlandsson, Björklund, and Bäckström 2015; Kogut and Ritov 2005a; Slovic 2007; Small, Loewenstein, and Slovic 2007). Identified victims are often tested in contrast to statistical groups victims. This robust effect has been demonstrated across many contexts. Researchers have proposed that identified individuals

are mentally represented differently in terms of concreteness, consistency, and coherency (Hamilton and Sherman 1996). As a result of these differences individuals, compared to groups, elicit greater elaborative processing, perspective taking, and emotional response (Kogut and Ritov 2007; Sherman, Beike, and Ryalls 1999). Kogut and Ritov (2005) tested the affect of presenting a victims age, name, and picture on charitable donations. These details pertaining to the victim significantly increased charitable giving.

Interestingly, the details about the victim's situation do not have to be provided by external sources. Information pertaining to the needy situation can be self-supplied by the message recipient. Zagefka, Noor, and Brown (2014) examined donor behavior for victims from disasters that participants were either familiar with or unfamiliar with. Participants were more generous when they had existing knowledge of the disaster. The authors explained that potential donors are able to better identify with victims when they know more about their situation. The present research also proposes that individuals provide the identification information. However, in the present context it is theorized that the matched product donation leads consumers to fill in the details regarding the donation recipient themselves. Who will get the product? What will they do with it? How will it help them? Furthermore, consumers will be very familiar with the item the recipient will receive because the consumer takes possession of a similar product.

The IVE illustrates the strength of affective response in decisions to help needy others. Logically, it would make the most sense to try and help a large group of needy people vs. just one individual. However, when confronted with these types of situations separately individuals overwhelmingly are more willing to help one individual person. Numerous different psychological processes have been proposed for explaining the IVE. Research continually supports that this effect is predominately emotionally driven (Dickert, Sagara, and Slovic 2011;

Kogut and Ritov 2005b; Slovic 2007). However, perceived impact has also been shown to be responsible for the effect. Next we explore the role of empathy and oneness both within the framework of the IVE and more generally in the context of helping needy others.

Empathy

Empathy has been defined as a combination of a) recognizing another person's needs or suffering and b) viewing the situation from the other person's perspective (Batson 1991; Coke, Batson, MacDavis 1978; Shaw, Batson, and Todd 1994). Vitell, King, and Singh (2013) explored the importance of emotions in ethical decision-making. The authors specifically highlight empathy as a key emotion that has been under researched in the literature. When consumers are prompted to purchase products with charitable donations attached to them they are faced with an ethical decision. Emotions can be divided into incidental and task-related emotions. Incidental emotions are not specific to an individuals' environment and are generally less intense. Conversely, task-related emotions are connected to the immediate environment and are experienced more intensely. This type of emotion has been shown to impact both ethical judgments and behavioral intentions (Agnihotri et al. 2012). Emotions derived from a CRM shopping context would be environmentally induced and thus task-related. In the following paragraphs research exploring empathy's effect on prosocial intentions and behavior are presented.

Erlandsson, Björklund, and Bäckström (2015) formally tested empathy as the mediator between the IVE and motivation to help. Across four laboratory experiments the authors identified empathy as the dominant mediator for the IVE. The other mediators tested were perceived responsibility, perceived impact, and distress. The findings from the study suggest that the IVE is predominantly an emotionally driven process. Moreover, perceived impact was not

found to be a significant mediator of the IVE. This is in contrast to past research that confirmed that identification effects are transmitted through perceived impact (Duncan 2004). Perceived impact will be further discussed in a later section.

Research by Shaw, Batson, and Todd (1994) hypothesized that individuals will avoid empathy inducing information when they know the personal costs associated with helping are high. In an experiment they informed participants that a man needed help and it would be either time consuming to help or it would take little time. The participants then chose whether they would like to hear more about the man in an empathy-inducing version or a non-empathy-inducing version. The results of three experiments found that when the cost of helping is high individuals engage in empathy avoidance. It seems that participants wanted to avoid emotions that might seduce them into offering help and incurring the associated personal costs. Small, Loewenstein and Slovic (2007) specifically addressed the role of affect by priming participants in an experiment to evaluate the situation deliberately. The results indicated that when individuals think about helping others in a less emotional way, they are also less willing to donate regardless of the victims being identified.

Cialdini et al. (1997) specifically examined the empathy – altruism relationship and tested if a feeling of "oneness" could actually be responsible for increases in helping behavior. Generally researchers examining helping behavior delineate motivations and behaviors based on if they are altruistic or egoistic in nature. This research argued that oneness is not a purely altruistic motivation and is a stronger determinant of helping intentions than empathy. Oneness is defined as a "sense of interpersonal unity, wherein the conceptions of self and other are not distinct but are merged to some degree" (pg. 490). Across three experiments, the results support that a feeling of oneness with a needy individual is a stronger predictor of helping than empathy.

In fact, when the effects of oneness are controlled for the relationship between empathy and helping intentions is nonsignificant. In the studies, relationship closeness was manipulated by having participants imagine the needy individual was a family member, close friend, acquaintance, or near stranger. The level of relationship was a strong predictor of oneness evaluations. However, oneness mediated the relationship between closeness and helping intentions regardless of the relationship with the victim, even when the needy individual was a near stranger. It is proposed that oneness and empathy have a bidirectional causal relationship. The view is that "the perception of oneness with a needy other generates empathic concern and that the experience of empathic concern generates the perception of oneness" (pg. 489). This is based on the important antecedent of feelings of attachment and perspective taking. Attachment can come in the form of friendship, similarity, or familiarity (Batson and Shaw 1991). Empathy is derived from perspective taking which leads to emotions such as compassion, tenderness, and sympathy. Both empathy and oneness are based on the idea of commonality with the needy individual. However, the concepts are distinctive because empathy is also a reflection of compassion. Cialdini et al. (1997) interpret their findings as indicating that perceptions of commonality generate helping, more so than feelings of compassion.

Zagefka, Noor, and Brown (2012) build on the work by Cialdini et al. (1997) and investigated if individuals were more generous in helping natural disaster relief when they were familiar and/or knowledgeable with the area affected. The predictions were based on theories related to helping behavior and group membership. Past research has shown that individuals are more likely to help individuals with whom they share group membership of some kind (Levin et al. 2002; Saucier, Miller, Doucet 2005). More specifically, the relationship between empathy and helping has been found to be stronger for in-group settings, as compared to out-group (Strümer et

al. 2006). The authors proposed that when individuals are familiar with the area affected by a humanitarian disaster, they are more susceptible to this in-group biasing due to identification with the victims. The construct of identification is closely related to empathy. Identification with another person means to feel connected and to share commonalities (Leach et al. 2008). Identification can occur regardless of group membership (Strümer et al. 2005) and is closely related to oneness (Cialdini et al. 1997). Across three studies, the relationship between knowledge of the disaster area and willingness to donate is examined. Moreover, identification with the victims is tested as a mediator. The three studies manipulated individual's knowledge about the victims differently across the studies. The results consistently supported the positive relationship between victim information and both intentions to donate and actual donation behavior. Lastly, identification was found to be the underlying response mechanism.

Recall that feeling a commonality with another individual leads to greater feelings of empathy and also evaluations of oneness (Batson and Shaw 1991; Cialdini et al.1997). When an individual participates in CRM that donates items matching those purchased by the consumer, the consumer then shares a commonality with the recipient. For example, when a consumer purchases a pair of shoes they know a needy individual will receive a similar pair of shoes because of their purchase. Based on research regarding empathy and oneness, this commonality should make the consumer feel more empathetic and compassionate for the recipient, as well as a greater interconnection with that individual. This assertion is made in comparison to monetary donations, which do not establish a shared commonality. The present research establishes a higher order construct of affective identification. It captures the emotions associated with empathy, like compassion, and perceptions of interconnectivity associated with oneness. Also in support of these predictions is the theory of the IVE. A matched donation format highlights one

specific person that will benefit and receive the donated item; thus, focusing the consumer on one individual victim. Comparatively, when a monetary donation is made the needy population is viewed as an abstract group. The IVE asserts that an individual elicits greater empathy than an unidentified group. Thus, we formally hypothesize:

> Hypothesis 1: Matched product donations will elicit greater affective identification, as compared to monetary donations.

Perceived Impact

Individuals give their time and money to charitable causes to improve a given situation. For example, someone may volunteer or write a check to Habitat for Humanity to help give someone shelter. This feeling of making a difference acts as a motivator. Research across many contexts has confirmed that perceived impact drives altruistic behavior both in a traditional setting and in a CRM setting. Perceived impact is similar to the utility derived or the efficacy of the behavior (Erlandsson, Björklund, and Bäckström 2015). When organizations are shown to be close (vs. far) from reaching a goal individuals are more likely to make donations (Cryder, Loewenstein, and Seltman 2013; Robinson, Irmak, and Jayachandran 2012). This phenomenon occurs because donors perceive their impact is greater when they are helping the organization reach its goal. Whereas, when the goal is far from being met donors do not perceive their contributions are as impressive. Duncan (2004) suggested that an identified person in need presents an opportunity to make a greater impact. Donors are able to more concretely imagine the aid the person would receive as compared to a group of unidentified victims.

Cryder, Loewenstein, and Scheines (2013) studied the IVE and factors that made consumers more generous with their charitable giving. It was proposed that when the actual nonprofit organization (NPO) was described with specific, vivid details consumers would make

larger donations. The studies manipulated how vividly the NPO interventions were described to participants. Oxfam, a large international aid organization, represented a general charity and Nothing But Nets represented a specific charity, an organization that provides mosquito nets in areas affected by malaria. Ultimately, the group exposed to the specific charity could more easily imagine how their donation would be used, felt their donation was more valuable, and actually donated more money. The results supported that perceived impact, not empathy, was responsible for the increased generosity.

In summary, past research finds that charitable behavior increases when donors have more information regarding the beneficiary. This information creates more tangible and vivid details about the victim, their struggles, and the type of help received. Donors perceive the opportunity to make a greater impact when details are present. It is proposed that consumers experience victim identification in a matched product donation context. When a consumer purchases a pair of shoes for themselves they are easily able to imagine someone else needing a pair shoes. This would be similar to the finding by Cryder, Loewenstein, and Scheines (2013) that the Nothing But Nets organization is easier to connect with than Oxfam. By thinking in greater detail about the recipient's struggle and the relief provided by the donated item, i.e. shoes, consumers will likely feel they made a bigger contribution. This is in comparison to monetary donations, which are more abstract; this would be similar to the vague, but important work done by Oxfam. Moreover, the monetary donation would lead consumers to focus more on an unidentified group in need, which would negatively influence perceptions about donation effectiveness. Thus we formally hypothesize:

> Hypothesis 2: Matched product donations will be perceived as making a greater impact, as compared to monetary donations.

Attitude Toward the Cause

Individuals who feel empathetic towards a needy cause will likely have more favorable attitudes towards associated CRM promotions. Empathy has been shown to impact both judgments and behavior (Agnihotri et al. 2012). It is proposed that the effect of donation type on consumer attitudes is transmitted through affective identification. Thus it is formally hypothesized:

Hypothesis 3: The effect of donation type on attitude toward the cause promotion occurs indirectly through affective identification.

In general, individuals prefer their donations to make a substantial impact. This perception of making a difference is an important driver of how consumers' view an opportunity to help (Cryder, Loewenstein, and Scheines 2013). Therefore, it is predicted that the effect of donation type on consumer attitudes will be transmitted through perceptions about the impact of the donation.

Hypothesis 4: The effect of donation type on attitude toward the cause promotion occurs indirectly through perceived impact.

Participation Intentions

Individuals who view a cause more favorably would likely want to support that cause through their behavior. In the present context, when a company sponsors a cause that consumers care about, those consumers would be more likely to participate. Research on outcome expectations and evaluations (Eccles and Wigfield 2002) explains that an individual's behavior is determined by the attractiveness of a given outcome. Based on this theory, the outcome of the cause receiving support should appeal to consumers with positive attitudes toward the cause. Past research has found that consumers' with a high affinity for a sponsored cause would pay

more for CRM products associated with it (Koschate-Fischer, Stefan, and Hoyer 2012). This is because high affinity consumers receive greater psychic benefits from participating in the promotion. Formally it is proposed that:

Hypothesis 5: Cause attitudes are positively related to participation intentions.

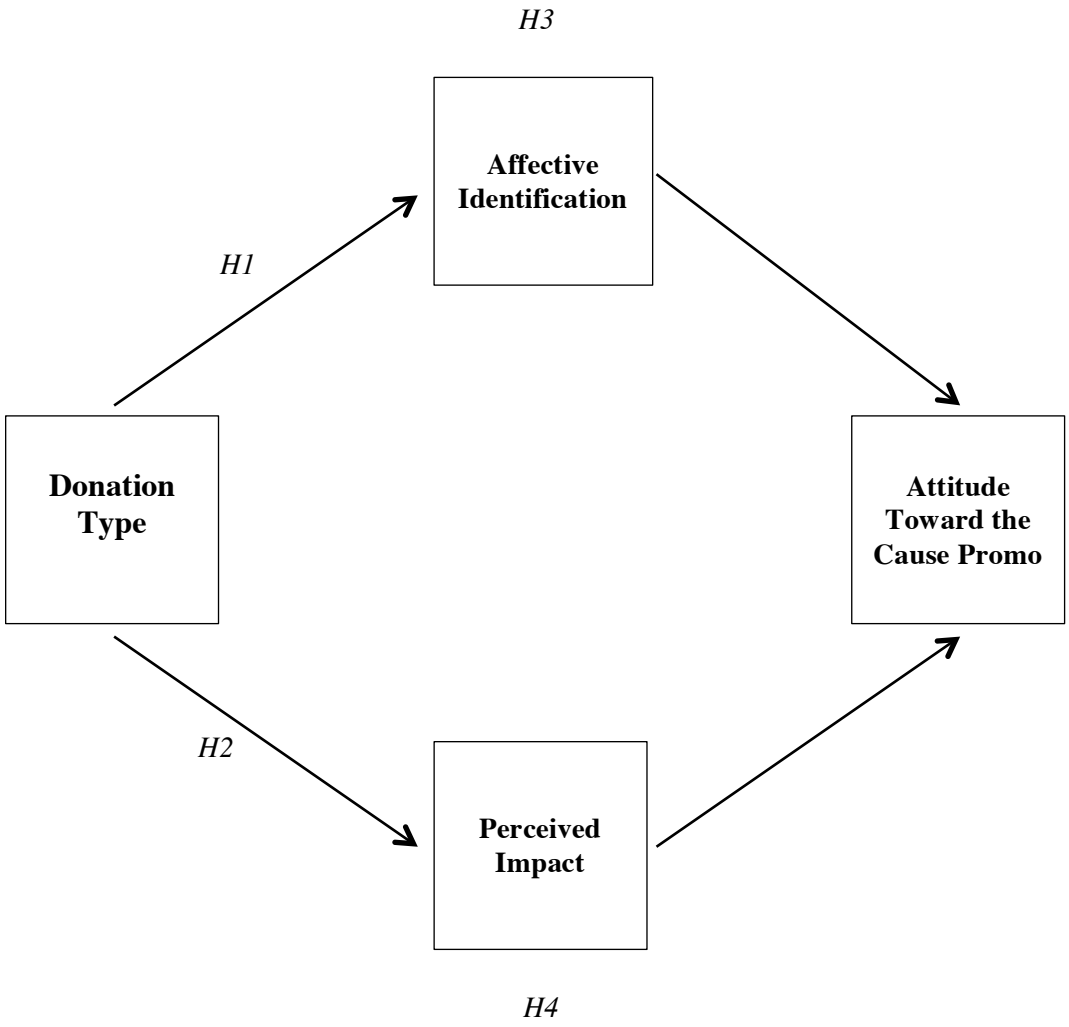

Figure 5: Study 1 Parallel Mediation Model

3. RESEARCH METHODOLOGY

In an effort to provide a comprehensive understanding of CRM campaigns, qualitative interviews with managers were conducted. The objectives of the interviews were to gain insight into what factors managers currently consider important and how they interpret consumers' response to CRM promotions. The focus of the current research is to understand what drives *consumer* behavior and the specific psychological processes that occur. However, it is useful to gain a more holistic picture of how CRM decisions are made and how managers view consumer behavior.

In order to test the presented hypotheses experiments were employed. Existing scales from the literature were used, and a pretest determined the stimuli. The surveys used also gathered open-ended responses. These qualitative findings were coded and analyzed. Methodology for analyzing the parallel mediation model is described. The expected findings are presented and discussed.

Qualitative Interviews

In 2013, Walgreens started their campaign "Get a shot. Give a shot." Campaign. The promotion was implemented in response to an exceptionally severe flu season in 2012. Walgreens partnered with the United Nations Foundation's "Shot@Life" program and tied sales of flu vaccines to the donation of vaccines in developing countries. The campaign has been hugely successful based on numerous important metrics. The initial year of the promotion increased immunizations 18% over goal, and September vaccinations increased more than 40%,

an indication that consumers received their flu vaccines earlier in the flu season. Walgreens successfully reached their donation cap of 3 million vaccines. The Shot@Life was also successful at increasing awareness and web traffic. Awareness for the cause was bolstered through use of celebrity spokesperson Amanda Peet, TV and radio ads, as well as social media content. Shot@Life's webpage experienced a 400% increase in traffic compared to other priority pharmacy programs running within the same period. The program also received a HALO Award for "Best Health-Related Campaign" from the Cause Marketing Forum. In the interview with a manager from Walgreen's she described consumers' response to the promotion.

> "Customer's came to Walgreen's to get their flu shot specifically because of the vaccines that were being donated. Many people got vaccines that probably would not have otherwise, and I think these people will continue to get flu shots in the future."

Additionally, the manager felt that the donations of vaccines to developing countries made consumers more appreciative for the medical services available to them. She also credited this aspect as improving flu shot usage in the long term. The program has been so successful it has been expanded to other vaccines like hepatitis B, pertussis, and pneumonia.

Companies across many diverse industries make product donations. A manager from Bass Pro Shops, a retailer of outdoor sports equipment, was also interviewed about their support of nonprofit organizations. Bass Pro Shops supports a wide range of causes through a plethora of programs. In kind donations are very common because products are often more attractive to these organizations than cash. For example, Tread Lightly recently approached Bass Pro to help the organization increase their membership enrollment. Tread Lightly is an organization that promotes the responsible use of recreation lands for four wheeling and other types of recreation.

Tread Lightly and Bass Pro hosted drawings for new members to give away a new ATV and Bass Pro gift cards.

> "Donating Bass Pro products was the perfect way to help Tread Lightly pursue their goal of increasing membership and also promote our products to a very valuable audience. We consistently find that customers respond very positively when these organizations promote our brand and products. Customers have relationships with organizations like Tread Lightly and the National Fish and Wildlife Foundation and really trust the messages they send."

These examples of in-kind donations provide a glimpse into the diversity and potential success associated with cause promotions.

4. STUDY 1

Study 1 tested how individuals respond to matched product donations as compared to monetary donations made in CRM promotions. Consistent with Hypothesis 1, it was predicted that affective responses for the recipients would be greater when products were donated. Additionally, it was expected that consumers would perceive the donation as having a greater impact when products were donated (Hypothesis 2). The product to be donated was eyeglasses. This product category was chosen for its ecological validity, because a) eyeglasses represent matched product donations that actually occur within the marketplace and b) is an appropriate item for the student sample used. The monetary donation condition was chosen based on a pretest.

Pretest

A pretest was conducted to choose the specific amount of money for the cash donation condition in Study 1. All participants read a description of the CRM promotion describing, "When you purchase a pair of glasses a donation will be made to people in need." Different presentations of the cash donation were tested. For example, "A portion of the proceeds will be donated" or "$10 from the sale of the glasses will be donated." Various dollar amounts were tested. Participants rated the perceived value associated with the donation, product or monetary. Three items were be used to measure perceptions of value, "I consider the donation the company is making to be:" (a low amount / a high amount, a small donation / a large donation, not a sizeable donation / a sizeable donation) (Folse et al. 2014) (Cronbach's alpha = .982). A cash donation of $5 was perceived as significantly less valuable than the product donation (t = 3.35,

SD = 2.03, p = .003). A cash donation of $10 was perceived as having similar value to the product donation (t = .659, SD = 1.63, p = .518). Thus, the $10 condition was used in the stimuli for Study 1.

Participants and Design

The sample was 257 undergraduate students. This demographic is partially attributed with the success of programs like Tom's shoes. As of 2010 over 1,200 college campuses had organizations dedicated to Tom's Shoes (Ferenstein 2010). Moreover, the company specifically targets college students with their campus representatives placed at colleges and universities around the country (Improving Lives 2016). Therefore, utilizing a student sample is germane to the study of this type of CRM. The average age of the participants was 21.05 years (*SD* = 2.77 years) and 65.6% were female.

The study was a between-subjects design with random assignment to either a cash donation or product donation condition. Participants were told their responses would be confidential before they are asked to read the following: "Please, stop and imagine that you go shopping for a pair of prescription glasses. While browsing you notice signage next to some of the glasses that reads: For each pair purchased the company will donate a similar pair of glasses to one needy child with vision problems (product condition) or The company will donate $10 for every pair of glasses purchased to help needy children with vision problems" (money condition).

Procedure

After reading the scenario participants responded to items measuring attitude toward the promotion, participation intentions, empathy with the needy recipients, perceptions of oneness, and perceived impact. All scales were on a 7 – point likert or semantic differential scale. The full-scale items can be found in the Appendix. Participants also wrote in their own answers to an

open-ended question. They were asked to record what thoughts they had about the children with vision needs. An attention check was presented at the end of the aforementioned scales and open-ended question. The attention check asked participants to identify the type of donation the company was making to the cause. Next, participants reported if they personally had vision needs for glasses or contact lenses. The survey ended with a scale measuring social desirability and was positioned as a separate, unrelated study (Luo, Rindfleisch, and Tse 2007; Strahan and Gerbasi 1972). The scale included 10-items and was collected to be included as a possible covariate.

The reliabilities of all the scales were above .85 except for affective identification and the social desirability scale. Table 3 contains the Cronbach's alphas for each scale. Affective identification is a composite variable including one item measuring "oneness" and four items measuring empathy. One empathy item was dropped to improve the Cronbach's alpha from .54 to .65. The reliability of the social desirability scale was .195 and because of this unreliability was not included in any analyses.

Table 3: **Study 1 scale reliabilities**

Construct	Cronbach's Alpha
Perceived Impact	.890
Affective Identification	.654
Attitude toward the promotion	.959
Participation Intentions	.927
Social Desirability	.195

Qualitative Data Collection

During the survey, participants were asked to list the thoughts they have about the needy children receiving donations from the company. They were presented with six blanks and were told they could list as much information as they would like. This technique was used to capture a richer representation of the differences between the product and monetary conditions. These responses were explored to gain greater insight into how consumers react to donation types. In order to quantitatively evaluate this information, two individuals' blind to the purpose of the study coded the responses independently. Any discrepancies were resolved with discussion between the coders. The responses were be coded based on their level of certainty and also valence. Prior to collecting this qualitative data, uncertainty was not a construct of interest. However, after inspecting the open-ended responses a theme of uncertainty was expressed. Many respondents expressed questions about the implementation of the program, the possibility of long term benefits, etc.

5. RESULTS

Attention Check

An attention check at the end of the survey assessed whether or not participants noted the type of donation being made. Participants were asked what the company was donating through the sales promotion and were presented with multiple-choice options: $10, a product, a portion of the profits, or $50. Ninety-two participants failed the attention check and were removed from the sample. This level of inattention is not inconsistent with similar research (Moore and Tenbrunsel 2014).

Table 4: Summary of mean responses as a function of the type of donation made

	Donation Type	
	Product	Monetary
N	99	70
Affective Identification	4.76 (1.23)	4.38 (1.20)
Perceived Impact	5.43 (1.26)	4.78 (1.33)
Attitude toward the CRM Promotion	5.68 (1.16)	5.16 (1.31)
Participation Intentions	5.57 (1.29)	5.24 (1.32)

Note: SDs are in parentheses following means. All scales range from 1 to 7 with higher numbers reflecting more favorable intentions or perceptions.

Hypothesis Tests

Means for the mediators and dependent variables by experimental condition are shown in Table 4. Haye's PROCESS model 4 was used to test H1-H4 with bootstrap mediation tests and 5000 bootstrap samples. The independent variable was donation type and was dichotomous (0: product donation, 1: $10 donation). The dependent variable was attitude towards the cause

promotion, and participant's vision need was included as a covariate. The path from donation type to affective identification was significant (coefficient = -.203, p = .034), supporting H1. The negative beta value suggests that participants reported feeling less connected to the donation recipients when a monetary donation was made. This difference can be seen in Figure 6. The path from donation type to perceived impact was also significant (coefficient = -.329, p = .002), supporting H2. The negative beta value indicates that participants reported the donation made less of an impact when a monetary donation was made, and is depicted in Figure 7.

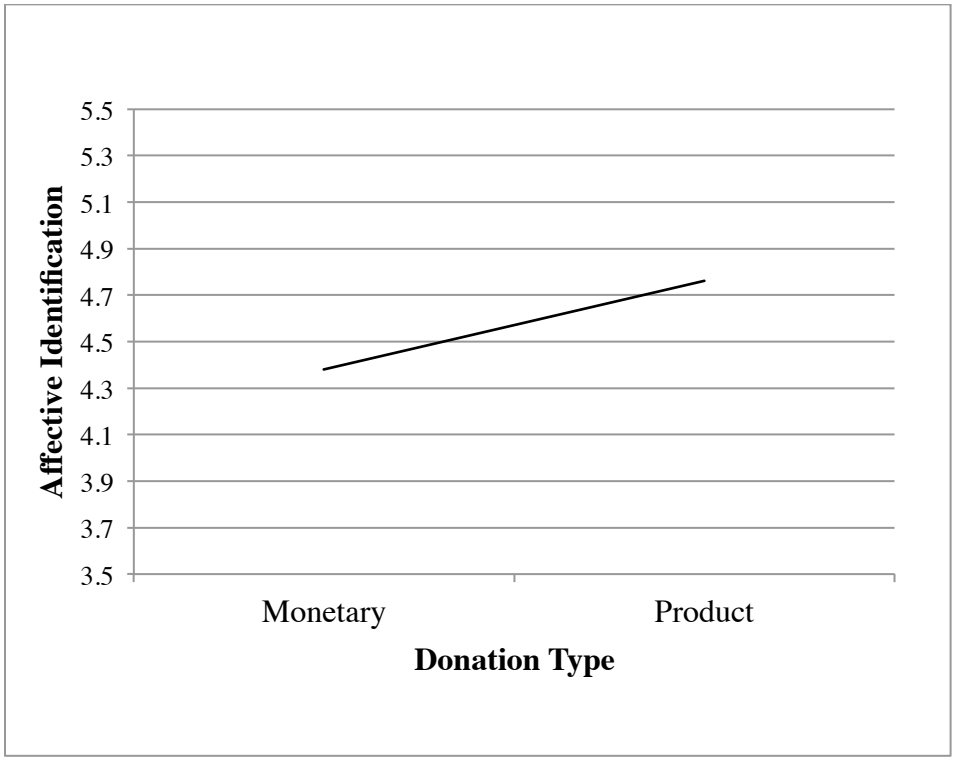

Figure 6: The Effect of Donation Type on Affective Identification

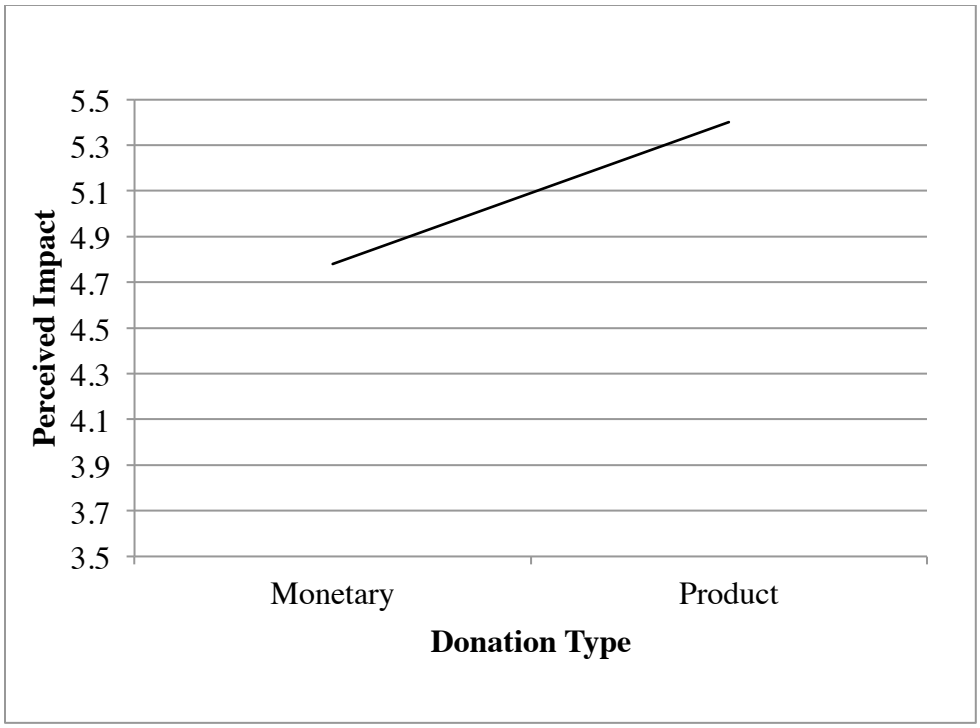

Figure 7: The effect of donation type on perceived impact

Next, affective identification was tested as a mediator between donation type and attitude toward the cause promotion. The indirect effect of donation type on attitude through affective identification was significant (Effect = -.05, SE = .03, CI [-.12; -.01]). This supports H3 that posits donation type does influence attitudes toward the cause promotion through an individuals' affective identification with the needy recipient. Within the same analysis the PROCESS macro also evaluated the second mediator, perceived impact. The indirect effect of donation type on cause promotion attitude through perceived impact was also significant (Effect = -.17, SE = .06, CI [-.30; -.06]). This results supports H4 that proposes donation type influences attitudes through how individuals perceive the impact of the donation. Though not hypothesized, the direct effect of the independent variable, donation type, on the dependent variable, cause attitudes, was nonsignificant (coefficient = -.031, p = .656). Thus, support is found for the proposed parallel

mediation model. Product donations seem to produce more favorable attitudes than monetary donations and this effect occurs through consumers affectively identifying with the donation recipients and also perceptions regarding the impact the donation will make. The parallel mediation model with path coefficients is shown in Figure 8.

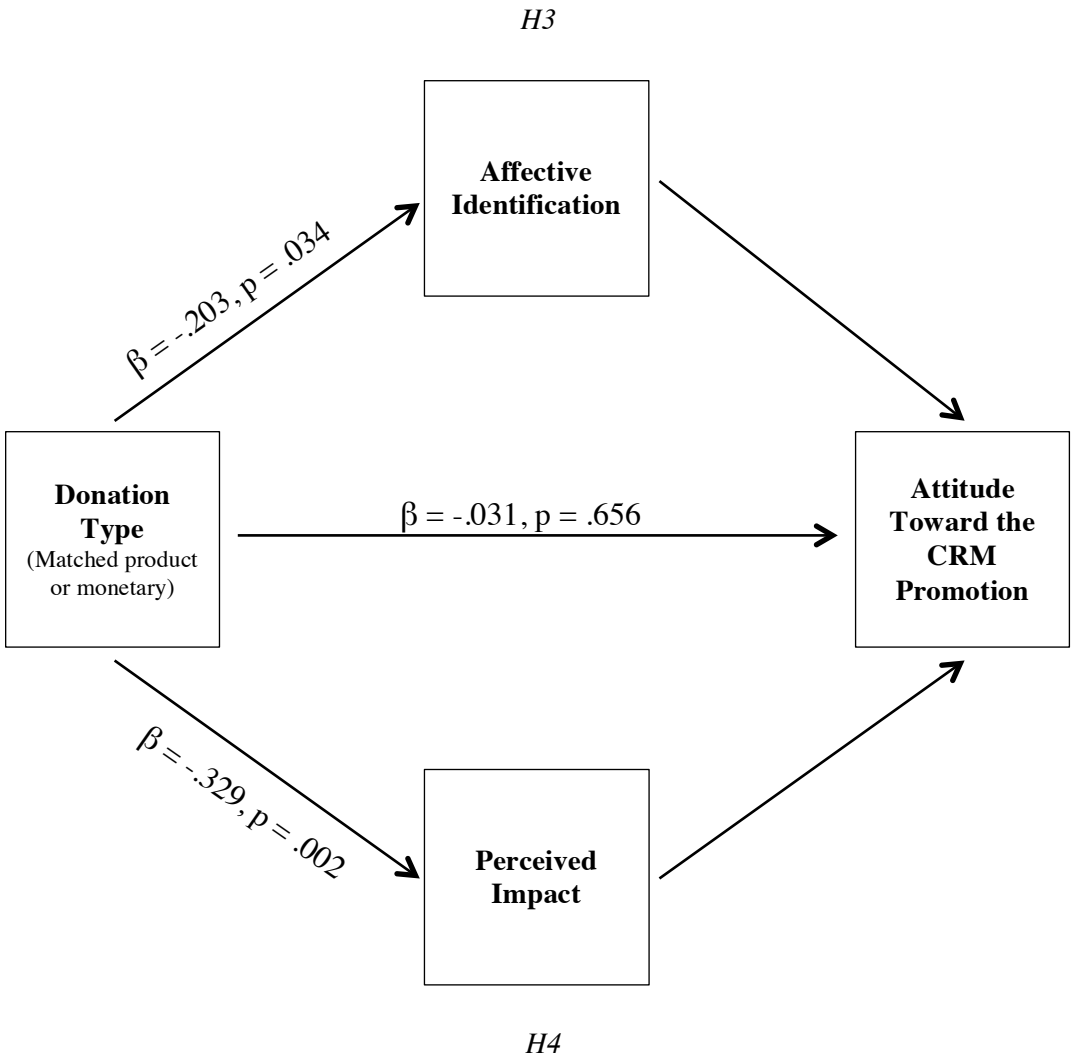

Figure 8: Study 1 results for the parallel mediation model testing the effect of donation type on cause promotion attitudes

Covariate

Because the participant's personal vision needs may confound results this variable was included in the model as a covariate. The sample was evenly split between those with (81) and without (84) vision needs and all participants were randomly assigned to a condition. The covariate was only significant for one of the relationships tested. The path from donation type to empathy was significant (coefficient = -.429, p = .023). Notably, running the model with and without the covariate did not change the significance of any direct or indirect paths.

Participation Intentions

H5 predicted a positive relationship between attitude toward the promotion and intentions to participate in the promotion. An ANOVA was run with attitude as the independent variable and participation intentions as the dependent variable. The relationship was found to be significant ($F(1,169) = 9.03, p < .0005$) and provided support for H5.

Open-ended Responses

On average participants recorded 2.15 (SD = 1.68) thoughts about the needy recipient. Overall, 17.13% (SD = .38) of respondents had positive responses and 40.89% (SD = .49) had negative responses. Additionally, 13.81% (SD = .35) expressed some type of uncertainty about donation situation. Table 5 contains samples of thoughts for each category.

In order to test if the type of donation affected participants' responses they were analyzed further. An ANOVA was conducted with donation type as the independent variable and number of positive thoughts as the dependent variable. Participants in the cash condition (M = 2.75, SD = 1.40) recorded significantly more thoughts than those in the product condition (M = 1.76, SD = 1.72) ($F(1, 180) = 4.11, p = .040$). Next the valence of the individual thoughts was assessed. An

ANOVA was conducted with donation type as the independent variable and number of positive thoughts as the dependent variable. The results indicate that participants in the product donation condition (M= .72, SD = .734) had more positive responses compared to participants in the cash donation condition (M = .43, SD = .952) ($F(1, 180) = 4.11, p = .040$). The same analysis was done to evaluate negative thoughts. The data suggests that participants in the product condition (M = 1.19, SD = 1.12) had fewer negative thoughts than those in the cash condition (M = 1.51, SD = 1.07) ($F(1, 180) = 3.71, p = .055$). Lastly, the amount of uncertainty expressed was evaluated. Participants in the product condition recorded on average .41 uncertain thoughts (SD = .878) compared to participants in the cash condition that recorded on average .63 uncertain thoughts (SD = 1.10) and this difference approached significance ($F(1, 180) = 2.29, p = .132$).

This analysis of the qualitative responses supports the proposed model. Participants did seem to favor product donations. This assertion is supported by the fact that participants had more positive things to say when products were donated. Moreover, participants had more negative responses and seemed less confident in the donation when cash was used. Based on these findings transparency will be explored in the next study. How knowledgeable the consumer feels about the donation may be an important mediator to explain the influence of donation type.

Table 5: **Study 1 sample of open ended responses**	
Positive Thought	I am glad someone is helping the children. I feel like a good person helping children. The child will have an easier time in school with glasses.
Negative Thought	I feel bad for the children. The kids can't read and learn without glasses. I feel sad.
Uncertain Thought	Are they going to actually give them to the child? I'm not sure whom the money will go to. Where are the children located?

6. DISCUSSION

Taken together these results provide evidence that donation type is an important determinant of CRM success. Moreover, the results indicate that the phenomenon is produced by the IVE. When companies donate products that match those purchased by the consumer two important changes occur. First, consumers are better able to imagine the recipients' situation and feel more intense empathy and oneness with the recipient. Second, consumers' perceive their purchase makes a greater impact in helping the needy recipients. Together, affective identification and perceived impact improve attitudes towards the promotion which ultimately drives intentions to participate. The qualitative data from the respondents provides additional support for the model and greater insights into the evaluations made by consumers. Product donations led consumers to have more positive and fewer negative thoughts, compared to monetary donations.

7. STUDY 2: DONATION TYPE AND PSYCHOLOGICAL DISTANCE

The purpose of Study 2 is to expand the IVE and test its positive influence on another important determinant of prosocial behavior, psychological distance. Moreover, Study 2 addresses a complex problem faced by marketing managers sponsoring needy causes. Past CRM research has highlighted consumers' preference for donations on a local level and also the difficulty of making distant causes seem relevant to consumers (Grau and Folse 2007). Understanding this bias and how to overcome it is vitally important to providing aid for pressing global issues. For example, the United Nations has identified eight Millennium Development Goals, which address issues impeding the advancement of developing countries. These goals address problems like extreme poverty and hunger, access to education, and maternal health (UN 2015). It is apparent that these and other global issues could benefit from CRM sponsorship. If a portion of the forecasted $1.92 billion of CRM spending for 2015 (IEG Sponsorship) were directed towards needs such as the Millennium Development Goals positive social change might result. However, marketing managers are appealing to consumers who prefer to see donations made to causes in their local area. Study 2 investigates if the types of donations, matched product vs. monetary, made by CRM promotions can address the disconnect felt between consumers and needy recipients.

Psychological Distance

Construal level theory (CLT) is a social psychology theory established by Liberman and Trope (1998). The theory describes important distinctions and implications regarding how

individuals experience psychological proximity. Distances are generally categorized as either close (proximal) or distant (distal). On a basic level distant items are thought about more abstractly and close items are thought about more concretely. CLT has been widely used in consumer research and has enriched many areas of inquiry. Psychological distance is an individual's perception of temporal distance (when an event will occur), spatial distance (where it occurs), social distance (to whom it occurs), and hypothetical distance (whether it occurs or not). Psychological distance has been found to impact both cognitive (Williams, Stein, and Galguera 2014) and affective processes (Liberman and Trope 1998). Moreover, psychological distance influences individual's thoughts (Trope and Liberman 2010), motivations (Kivetz, Urminsky, and Zheng 2006; Laran 2010; Miller 1944), feelings (Van Boven et al. 2010) and judgements (Dhar and Kim 2007).

Williams, Stein, and Galguera (2014) formally tested the affective consequences of both psychological distance and construal. How an individual experiences emotions is predominately determined by the intensity of the affect and the valence (Russel 1980). Increases in psychological distance reduces the intensity with which emotions are felt, conversely decreasing distance can intensify emotions (Williams and Bargh 2008). Changes in construal, however, can affect the valence of thoughts or memories. One study in particular examined the impact of construal level and psychological distance on charitable giving. Construal was manipulated by asking participants to indicate why (high level construal) or how (low level construal) they would donate to the cause. The Red Cross was the benefactor and psychological distance was manipulated temporally. Participants were told the donations were to be used in either the near or distant future. The results supported a main effect of psychological distance on donations, such that donations were higher in the near future. This relationship was mediated by emotional

intensity. A directional effect of construal was also significant. Participants donated more when generating high-level thoughts about donating (why) vs. low-level thoughts (how). The relationship between construal and donation intentions was mediated by the valence, or pleasantness, reported by participants. Thus, increased psychological distance reduced affective response and ultimately charitable giving.

The present research examines a similar negative effect of distance. However, spatial distance between the donor and recipient is examined in the present study, as compared to temporal distance utilized by Williams, Stein, and Galguera (2014). Additionally, it is proposed that donation type will interact with psychological distance. Specifically, it is expected that psychological distance will have a weaker effect on empathy and perceived impact when product donations are present, compared to monetary donations. The feelings of empathy and interconnection found in Study 1 should lower perceptions of psychological distance.

Van Boven et al. (2010) were interested in the effect of emotional intensity on perceived psychological distance. They examine the relationship between perceptual fluency and psychological distance. Perceptual fluency explains how we use the experience of information recall as information itself. For example, events that are nearby or occurred recently can be recalled with more ease or fluency (Alter and Oppenheimer 2008). Emotionally intense experiences are generally recalled with more concrete details. Based on construal level and fluency effects, emotion should decrease perceptions of psychological distance. Individuals who wrote emotionally about an event reported it as psychologically closer, compared to those in the neutral condition. This finding was replicated for temporal, spatial, and social distance. Support was found for the ability of emotions to reduce perceptions of psychological distance for all three dimensions. Research by Fiedler et al. (2012) also found that the different dimensions of

psychological distance are interrelated and form a unitary psychological dimension. Moreover, the effect generalizes for both recalled and imagine events. This supports the present theorizing that improving empathy should decrease perceptions of distance.

Donation Proximity

Tangari et al. (2010) conducted research on how temporal distance effects CRM outcomes. The authors examined how temporal framing, proximal or distal, of CRM messages interacted with consumers' personal temporal orientation, present or future. Message framing was manipulated by how much time was needed to raise sufficient funding for the sponsored program. Consumers with a present orientation reported more favorable attitudes and purchase intentions with the proximal framing, as compared to the distal framing. Interestingly, consumers with a future orientation had no significant differences in attitudes or intentions across the different temporal framings. Thus, we have support that at least a portion of consumers favor causes that are psychologically closer.

Donation proximity represents the geographic distance between the consumer and the donation activity (Varadajan and Menon 1988). Past research has classified donation proximity as being local, regional, national, or global (Grau and Folse 2007; La Ferle, Kuber, and Edwards 2013). Research has supported consumers' preference for supporting local causes with US, Chinese, and Dutch samples (Grau and Folse 2007; Hou, Du, Li 2008; Ross, Stutts, and Patterson 1990; Vanhamme et al. 2012). Grau and Folse (2007) examined if donation proximity interacted with consumers' level of cause involvement. The purpose of the research was to investigate techniques to engage consumers' inherently less engaged and concerned with a sponsored cause. Building on signaling theory and social exchange theory, it was hypothesized

that less involved consumers would have more favorable campaign attitudes and participation intentions when donations were local, as compared to national. Signaling theory would predict that local donations signal a more tangible donation and are easier to evaluate. Social exchange theory suggests that individuals closer to us are more influential, because they seem more immediate. This theorizing is in line with the psychological distance mechanism proposed by this research. The findings of the studies support local donations as an effective strategy to engage less involved consumers. Participants less involved with the sponsored cause had more favorable purchase intention when donations were made locally, as compared to when donations were on a national level. Conversely, participants who were highly involved with the sponsored cause did not differ in their purchase intentions across local or national donations.

Vanhamme et al. (2012) examined cause proximity as a component of the construct "cause composition" with a Dutch sample. Proximity was referred to as the "scope" of the cause. Cause composition was comprised by the cause type, acuteness, and scope. Cause type delineated causes as either addressing primary needs, those necessary for basic life, or secondary needs, those supporting quality of life. Cause acuteness pertained to whether the cause was a sudden disaster or more chronic social issues. Consistent with work by Grau and Folse (2007), social exchange theory was employed to explain consumers' bias towards local causes. Social exchange theory suggests that consumers would be more likely to personally benefit from local donations (i.e. a stronger local community and economy). Additionally, individuals' personal identity would be more closely matched to a cause located nearer to them. It was predicted that cause composition leads to greater consumer – cause identification, "the degree of overlap with consumers' self-concept and their perception of the cause" (pg. 262). Moreover, consumer – cause identification was hypothesized to mediate the relationship between cause composition and

corporate image. Cause scope was manipulated as either being within the Netherlands (close) or in South America (distant). Cause scope did have a positive affect on identification. When the cause was in close proximity to participants they reported the cause as more attractive to them. This effect ultimately leads to more favorable perceptions of the firm.

The present research builds on the work by Grau and Folse (2007) and Vanhame et al. (2012) by further exploring consumers' response to donation location in CRM campaigns. However, the present study seeks to understand the psychological process underlying the response and also ways to overcome the local bias. Notably, Grau and Folse (2007) did not test what the actual mechanism underlying the differences produced by proximity. Vanhamme et al. (2012) did test identification as a mediator of the effect. However, the present research examines both affective and cognitive processes that may explain the effect of proximity. Affective identification and perceived impact are evaluated and compared across near and distant donations. Study 1 found that matched donations made consumers feel interconnected with donation recipients and, thus, should decrease psychological distance. Moreover, research has established that emotions reduce perceptions of distance (Van Boven et al. 2010). Therefore, we expect that when products are donated empathy will be consistent across locations. The affective identification created by the matched product should make the consumer feel connected to the recipient regardless of where they are located. Conversely, we expect that when monetary donations are made internationally consumers feel less affective identification and also that the donations make less of an impact, compared to donations made locally. Thus, it is formally hypothesized that:

> Hypothesis 6a: When monetary donations are made, empathy will be higher for donations made locally, compared to internationally.

Hypothesis 6b: When matched product donations are made, empathy will not differ between local and international donations.

Hypothesis 7a: When monetary donations are made, perceived impact will be higher for donations made locally, compared to internationally.

Hypothesis 7b: When matched product donations are made, perceived impact will not differ between local and international donations.

Transparency

The results of Study 1 suggested that consumers are concerned with how transparent a company communicates about their donations. Many of the respondents in Study 1 had questions about the details and execution of the donation. Transparency is an organizations attempt at openly providing clear information and being accountable for their actions (Rawlins 2008). Additionally, it is a tool to prevent corruption or the misuse of resources (Bourassa and Stang 2016). In the marketplace, Gap Inc. and Nike provide examples of companies working to establish transparency for their consumers (Kang and Hustvedt 2014). In these instances the companies are trying to improve their company image by evaluating any labor issues in their supply chain and providing this information to the public. Even more compelling are the examples of consumers demanding transparency from companies. For example, Think Before You Pink is directly concerned with how companies conduct cause-related marketing programs and disclose information to the public. This movement was started by the watchdog organization Breast Cancer Action and attempts to educate consumers on evaluating pink ribbon products before they purchase them. Does the company even disclose how much money is being donated? What specific organization is the donation being made to? Legally, companies are only

loosely regulated regarding the limitations placed on CRM programs and very few restrictions are in place. The only notable guidelines are the deceptive advertising regulations and the Federal Trade Commission does not generally police such promotions (Borchardt 2009). The Better Business Bureau has established standards for "Charity Accountability" but possesses no authority to enforce these standards (Horne 2013). While the Better Business Bureau urges transparency firms have the freedom to make whatever type of donation they choose and can disclose as much or as little detail as they like.

Kang and Hustvedt (2014) examined the downstream effects of consumers' perceptions regarding a company's transparency. A sample of adult, US consumers were surveyed about real brands. The results of the study found transparency to be an important driver of company trust and ultimately determined intentions to purchase products and spread positive word of mouth.

As the present research addresses a partnership between a for-profit company and nonprofit organization it is important to consider both domains. In terms of transparency, resources generated from a CRM promotion could be mishandled by either the company or nonprofit. Bourassa and Stang (2016) examined transparency in a nonprofit sector. A telephone survey was conducted of almost 4,000 Canadians. The results found that transparency was important in determining the size of donations. Furthermore, this relationship was conditional on how knowledgeable the individual was about the nonprofit sector, such that transparency had a stronger influence on those with high knowledge. Interestingly, transparency was not significantly related to volunteering hours.

It was hypothesized that individuals have more control over how their personal time is being utilized and thus are less concerned.

Compared to product donations, cash is much more flexible and less concrete. When cash donations are made to an organization it could be spent on a myriad of expenses. Comparatively, product donations would be much harder to misappropriate. Nonprofit organizations are often criticized for how funds and donations are handled. Recently the top two executives for the Wounded Warrior Project were fired for "lavish spending" (Chappell 2016). Around 40% of the organizations funds had been spent on overhead expenses and extravagant employee meetings were reportedly common. It's easy to imagine how consumer suspicion arises with anecdotes such as these being commonplace. Transparency is depicted in 95 with the rest of the model proposed in Study 2. Based on the liquidity of cash donations and the more concrete nature of product donations it is formally hypothesized that:

> Hypothesis 8: Perceptions of transparency will be significantly higher for product donations, compared to cash donations.
>
> Hypothesis 9: Perceptions of transparency mediates the effect of donation type on purchase intentions.

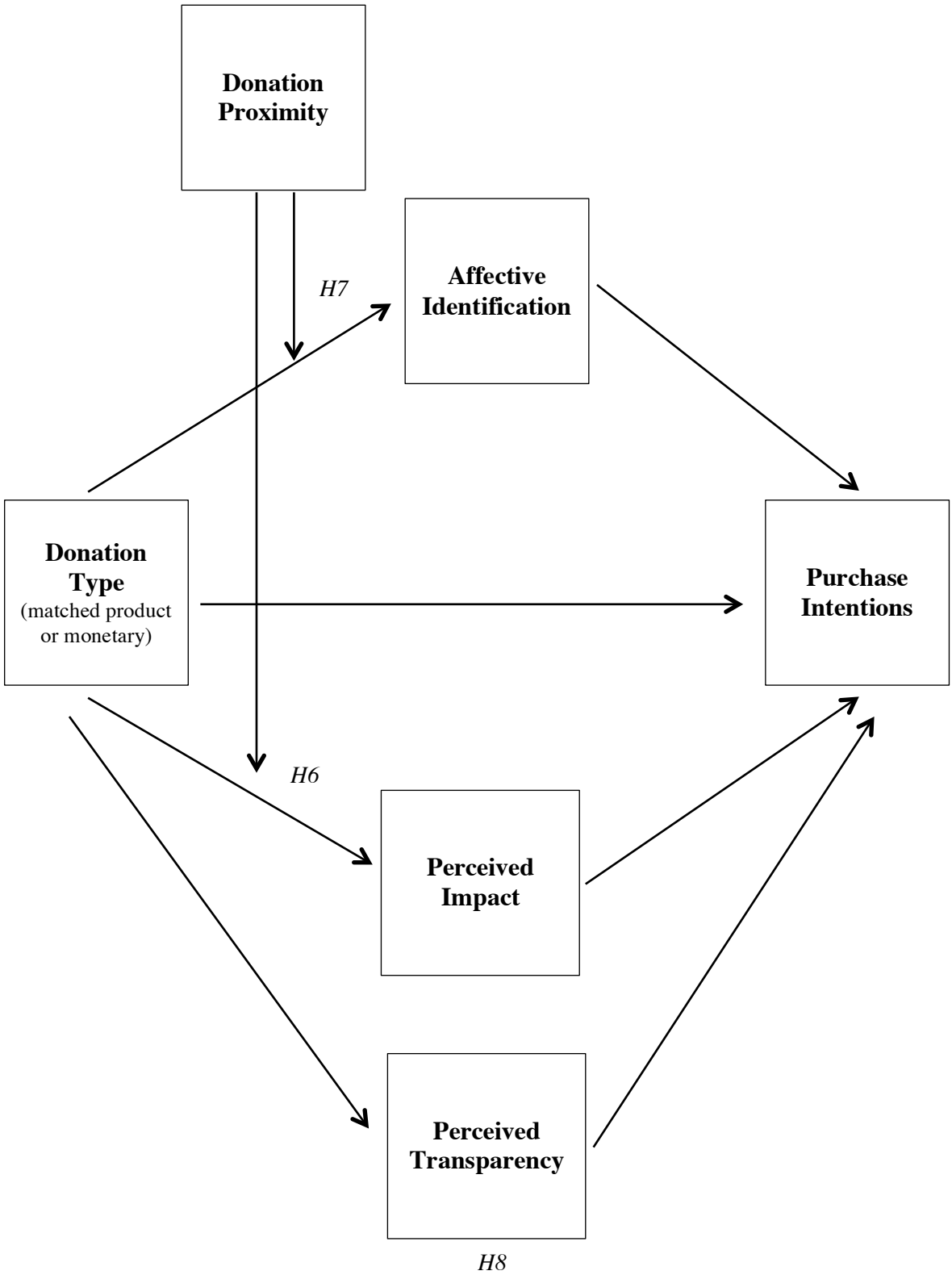

Figure 9: The moderating effect of donation type

STUDY 2

Study 2 introduced donation location to the model from Study 1. It was proposed that the influence of donation type is dependent on where that donation is ultimately made. Donations that are made close to the consumer are generally preferred compared to international donations. Study 2 tested if the positive influence of matched product donations can make international donations more attractive (H6 and H7). Also, Study 2 formally tested if the type of donation changes how consumers view the transparency of the situation. This addition was the result of the qualitative findings of Study 1. Product donations are proposed be perceived as more transparent because of their concrete nature, compared to monetary donations. Additionally, transparency is tested as a mediator between donation type and purchase intentions. Study 2 utilized a different product category from Study 1 in an attempt to increase the external validity. Flu shots were the product instead of the glasses used in Study 1.

Participants and Design

Three hundred and fifty-five undergraduates participated in the experiment. The average age was 21.09 (SD = 2.44) and 61.10% were female. The design of the study is a 2 (donation type: product vs. monetary) x 3 (proximity: local, distant, control) between subjects design with random assignment.

Procedure

We first conducted a pretest similar to Study 1 to determine what how much cash would be perceived as having similar value to a donated vaccine. Fifty undergraduate students read a description of promotions and the donation being made. Participants randomly saw three different possible donation scenarios: a vaccine, $2, or $5. They then reported how much value they perceived the donation as providing on the same 5 items used in Study 1. Participants reported their value perception on 7-point scales, higher values indicated more value. Paired samples T-Tests were then used to identify donations that were perceived as having the similar value. The vaccine ($M_{vaccine} = 5.90$) was seen as being significantly more valuable than a $2 donation (($M_{\$2} = 4.73$) $t = 5.07$; $p < .005$). The $5 donation was evaluated as having similar value to the product donation (($M_{\$5} = 5.86$) $t = .19$; $p = .851$). Thus, $5 was used in the actual study as the monetary donation.

The procedure used for Study 2 was consistent with Study 1 and includes the addition of a proximity condition. Participants assigned to the product and local (international) condition read: "A pharmacy in your area is running a promotion for their flu vaccines. When you get a flu shot the pharmacy will donate a vaccine to one needy child in the Oxford area (Cambodia). The pharmaceutical company has a local (international) focus in improving children's health."

Participants assigned to the cash and local (international) condition read: "A pharmacy in your area is running a promotion for their flu vaccines. When you get a flu shot the pharmacy will donate $5 to provide health services for needy children in the Oxford area (Cambodia). The pharmaceutical company has a(n) local (international) focus in improving children's health."

In the distant condition the donation was being made to children in Cambodia because this location has been used in previous research to manipulate donation distance (Russell and

Russell 2010). After reading the scenario participants will respond to same items from Study 1, with the exception of empathy. The results from Study 1 indicated the empathy scale had low reliability and an item had to be dropped. A different scale for empathy was used in Study 2 to see if reliability could be improved (Batson 1991). Notably, both are established scales from the literature and can be found in the Appendix. Attitude toward the cause promotion, purchase intentions, empathy, and oneness were measured in that order. Next participants reported how transparent the pharmacy was regarding their donation on 3 items (Eggert and Helm 2003; Vaccaro and Madsen 2009; Vaccaro and Echeverri 2010). A sample item from the scale is, "The pharmacy provided relevant information regarding their donations to the children with medical needs." The anchors for the scale were: 1 = strongly disagree and 7 = strongly agree. Purchase intentions were evaluated by asking participants. Reliabilities for all scales employed can be found in Table 6. Next, participants were asked if they typically got flu shots. The survey concluded with an attention check and demographic measures. As a check for inattentive respondents they were asked to identify the type of donation made through the sales promotion and were presented with multiple-choice options: $5, vaccines, a portion of the profits, or $5. Additionally, they were asked to identify the location of the donation: local or international.

Table 6: **Study 2 Scale Reliabilities**

Construct	Cronbach's Alpha
Perceived Impact	.767
Affective Identification	.862
Transparency	.766

8. RESULTS

Attention Check

An attention check at the end of the survey identified inattentive participants. Ninety-two participants failed the attention check and were removed from the sample. This result is not inconsistent with similar research (Moore and Tenbrunsel 2014).

Hypothesis Testing

To test whether the effect of donation type differs based on donation location (H6 and H7) Hayes PROCESS macro was used. The donation type was the dummy coded independent variable (0 = monetary, 1 = product) and the moderator was donation location, also be dummy coded (0 = local, 1 = international). The model tested the same mediators in parallel from Study 2, affective identification and perceived impact. The new construct, transparency, was also included as a parallel mediator. H8 proposed that transparency also mediates the effect of donation type on purchase intentions.

The Interaction of Donation Type and Donation Proximity

H6a predicts that monetary donations will elicit greater affective identification when donations are made locally, compared to internationally. The interaction of product type and donation proximity was nonsignificant in predicting affective identification (coefficient = .172, t = .68, p =.499). Moreover, the simple effects comparison of affective identification between local (M = 5.29, SE = .13) and international (M = 5.35, SE = .14) donations was nonsignificant (p = .930). Thus, failing to support H6a. The results suggest that participants level of emotion did not differ between local and international donations.

H6b proposed that affective identification would not differ between local and international locations when product donations were made. Affective identification did not differ between local (M = 5.09, SE = .13) and international donations (M = 5.40, SE = .14) at the p = .05 level (p = .09). Thus we find support for H6b.

H7a predicts that monetary donations are perceived as having more impact locally vs. internationally. The interaction of product type and donation proximity was nonsignificant in predicting perceived impact (coefficient = -.07, t=-.24, p =.81). Moreover, the simple effects comparison on the perceived impact between local (M = 5.62, SE = .15) and international (M = 5.60, SE = .16) donations was nonsignificant (p = .912). Thus, failing to support H7a. This finding indicates monetary donations were perceived as having the same utility, regardless of proximity.

H7b asserted perceived impact would not differ between local and international donations when product donations were made. Perceived impact did not differ between local (M = 5.86, SE = .15) and international donations (M = 5.76, SE = .15; p = .651). Thus we find support for H7b.

Testing for Mediation

The mediators from Study 1, affective identification and perceived impact, were tested. The indirect effect of donation type on purchase intentions through affective identification were nonsignificant (Effect = .052 , SE = .09, CI [-.07, .29]). The same analysis for perceived impact as a mediator was nonsignificant (Effect = -.053 , SE = .23 , CI [-.53, .37]). Neither affective identity nor perceived impact were found to mediate the relationship between donation type and purchase intentions. Thus, Study 2 failed to replicate the findings from Study 1. Possible explanations for this nonfinding are explored in the discussion section.

H8 proposed that donation type would influence purchase intentions through transparency perceptions. The path from donation type to transparency was significant (β = .598, t = 3.27, *SE* = .18, p = .001, *95% CI* [.24, .96]). Figure 10 illustrates this relationship. Additionally, the indirect path from donation type to purchase intentions through transparency was significant (Effect = .288, SE = .10, CI [.12; .51]). These results provide support for H8.

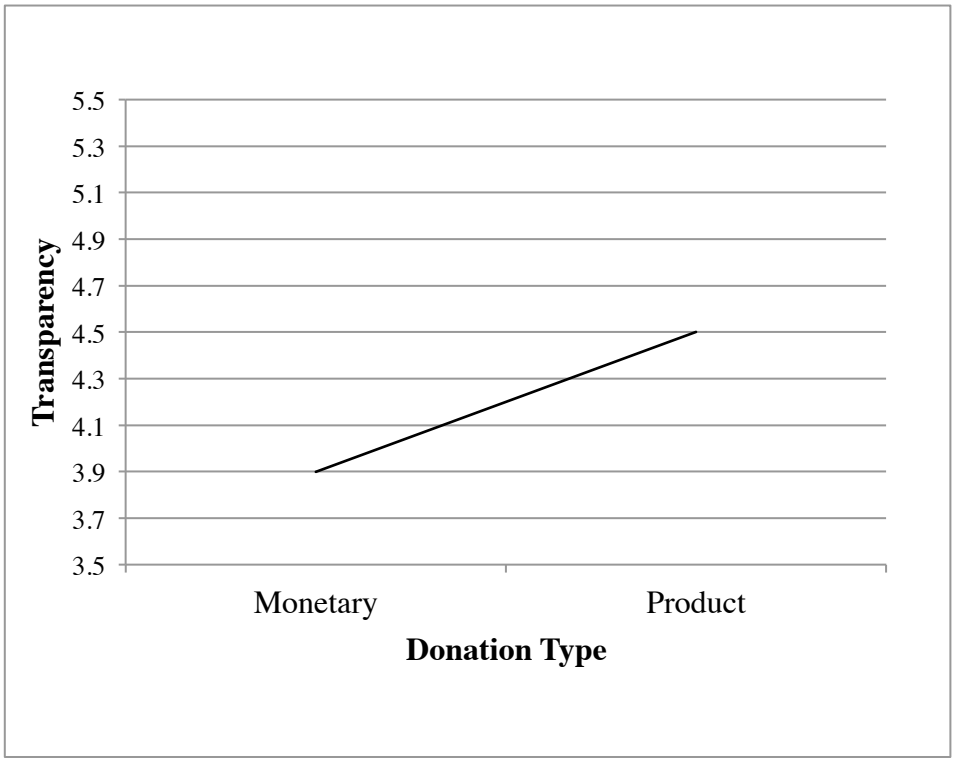

Figure 10: The effect of donation type on transparency perceptions

Post Hoc Analyses

Although not hypothesized, the direct effect of donation type on purchase intention was nonsignificant (p =.25). This direct path was moderated by donation proximity, although this only neared significance significant (β = .753, t = 1.65, *SE* = .46, p = .09, *95% CI* [-.15, 1.65]). This interaction is depicted in Figure 11. Pairwise comparisons help explain the moderating

effect donation proximity exerts on the relationship between donation type and purchase intentions. Comparing purchase intentions for local donations no significant differences are found between the product donations (M = 4.78, SE = .24) and cash donations (M = 4.91, SE = .24, p = .693). However, when donations are made internationally we find significantly higher purchase intentions for product donations (M = 5.24, SE = .24) compared to cash donations (M = 4.5, SE = .24, p = .04). These results provide some support that the influence of donation type is conditional on where the donation is being made.

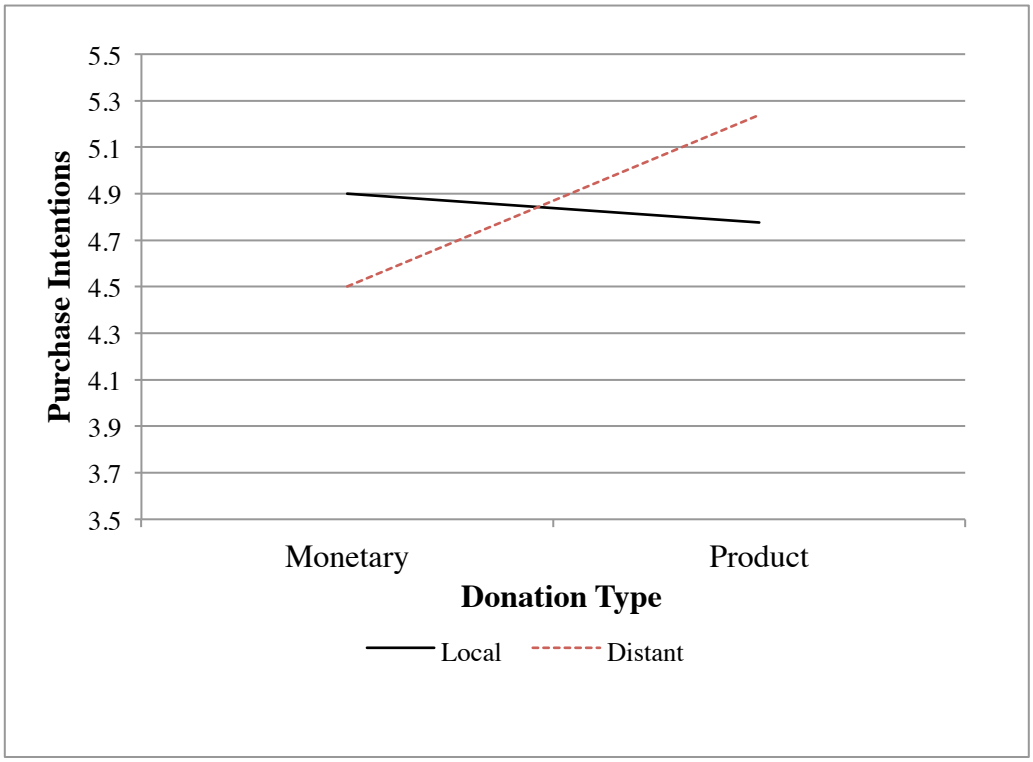

Figure 11: Purchase intentions as a function of donation type and location

A mediation model with a conditional direct effect was conducted in Hayes PROCESS macro. The nonsignificant mediators were eliminated, leaving transparency as the lone mediator. Donation type was the independent variable and purchase intentions were the dependent variable.

This direct path was moderated by donation location. The effect of donation type on transparency was significant (coefficient = .598, t = 3.37, p = .001). Transparency was also supported as a mediator between donation type and purchase intentions (Effect = .288, SE = .10, CI [.12, .51]). The direct effect of donation type on purchase intentions was nonsignificant (coefficient = -.364, t = -1.14, p = .254). The interaction of donation type and location was marginally significant at predicting purchase intentions (coefficient = .753, t = 1.65, p = .100). Figure 11 depicts this interaction. The full mediation model with a conditional direct effect is shown in Figure 12.

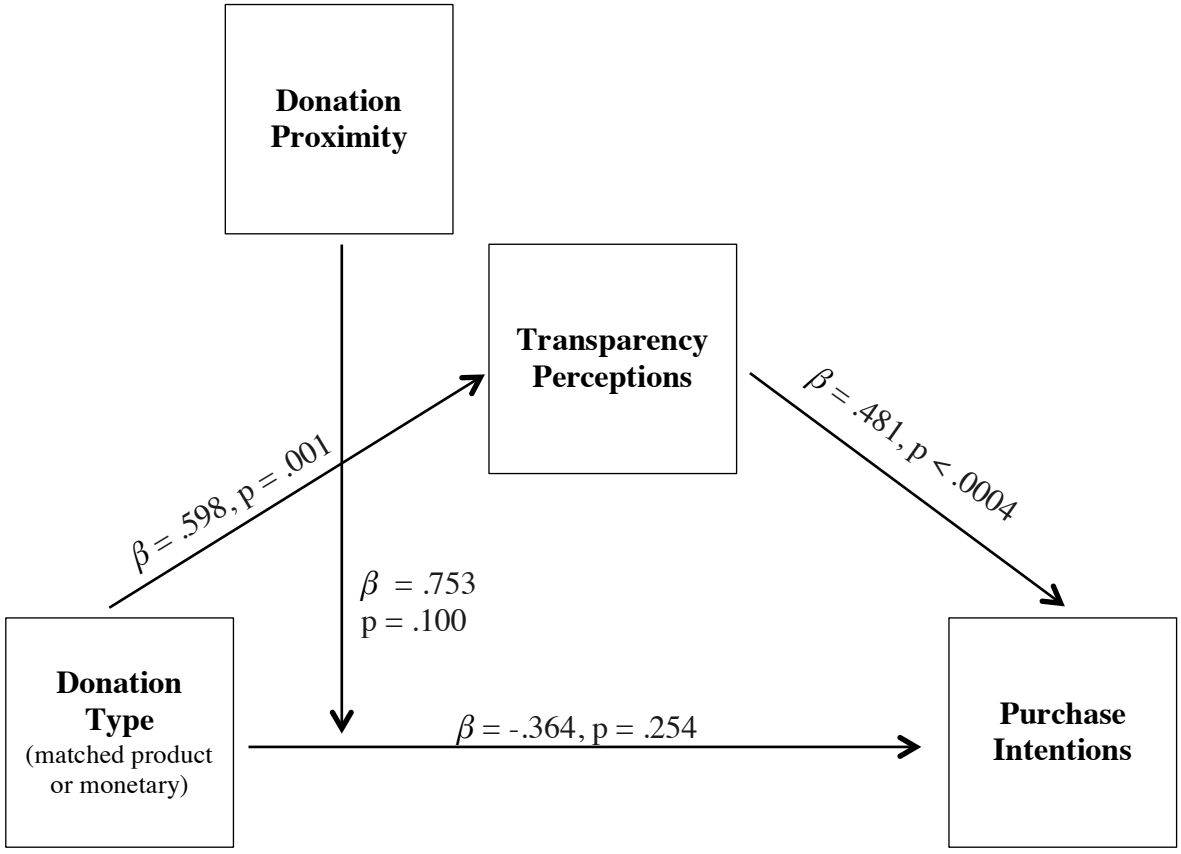

Figure 12: The conditional effect of donation type on purchase intentions and indirect effect through transparency perceptions

9. DISCUSSION

Study 2 tested if the effect of donation type was dependent on where the donation was being made, locally or internationally. It was hypothesized that distant donations would generate a greater affective response when product donations were made. Additionally, it was predicted that distant donations would be perceived as making a greater impact when product donations were made. The development for Study 2 theorized that consumers would experience a closer connection when the donation recipient received the same product as the consumer. For example, if the consumer received a vaccine and the donation recipient also received a vaccine a connection was established between them. This connection was proposed to reduce the psychological distance when international donations were made. However, these hypotheses were not supported. No significant differences were found and this suggests the respondents felt the same about donations made locally or internationally. The experimental stimuli expressed that donations would be made in the town their university occupies. College students may not clearly connect with that community as most are there temporarily. Future research should retest for the effect with a different type of population.

The mediators, affective identification and perceived impact, from Study 1 were not found to be significant. Notably, the product categories were different in Study 1 and Study 2. Study 1 utilized eyeglasses as the product being considered. Eyeglasses represent a durable good

that would be very visible to those around the consumer. Moreover, it would be a product the consumer would use in the long term. In contrast, Study 2 utilized a flu shot as the product being considered. This is not a tangible product a person possesses, and would not likely generate a long-term attachment. Although a large portion of our sample reported typically getting flu shots (40.1%) this may be based on parental advice and not an indication of how they view vaccines. Based on these differences, it is possible the effect found in Study 1 may be limited to durable goods that are used publicly. Study 2 may have found a boundary for the positive influence of matched product donations. Past research on CRM has noted that these promotions are more effective with hedonic vs. utilitarian products (Strahilevitz and Meyers 1998). A flu shot would likely be evaluated as much more utilitarian than a pair of eyeglasses.

Study 2 introduced the construct of transparency. Findings from the qualitative research in Study 1 identified transparency as an important concern for consumers. The results of Study 2 did identify that the effect of donation type on purchase intentions occurs indirectly through perceptions of transparency. The results suggest that consumers find product donations more clearly communicate details about the execution of the donation, compared to cash donations. Ultimately, the improved transparency leads consumers to be significantly more likely to purchase the product. In this specific instance, participants were more likely to consider getting a flu shot when a vaccine was being donated, vs. a comparable amount of cash.

Lastly, a direct effect of donation type on purchase intentions was not hypothesized. However, a marginally significant relationship was found. When international donations were made, product donations produced significantly more favorable purchase intentions compared to monetary donations. This finding suggests that other mediating variables are missing from the

model. Future research should investigate other mechanisms to explain the effect of donation type and proximity on purchase intentions.

10.GENERAL DISCUSSION

Across two studies matched product donations were compared to donations of money made through CRM promotions. This research is in response to the mysterious success of companies like Tom's Shoes and Warby Parker that utilize the matched product donation strategy. Study 1 examined if the "get one, give one" approach creates a connection between consumers and the donation recipients. Affective intensity and perceived impact were measured and compared across matched product and monetary donations. Additionally, these variables were tested and supported as mediators leading to cause attitudes. The results of Study 1 suggest that product donations are indeed preferred by consumers and this occurs through both emotional and cognitive psychological mechanisms. Affective identification, a feeling of empathy and oneness with the recipient, was more intense when matched products were donated. This finding supports the assertion that matched product donations establish an empathic connection between the consumer and donation recipient. This theorizing was built on the identified victim effect. Perceived impact was also greater when products were donated. This is consistent with previous findings that more descriptive explanations of aid are evaluated as having more utility (Cryder, Loewenstein, and Schneines 2013). Study 1 also produced interesting qualitative findings that supported the model. An unforeseen theme of uncertainty arose from participants' open-ended responses. Study 2 formally tested this sentiment by measuring consumers' perceptions about the company's transparency.

Study 2 tests if the positive influence of matched product donations can increase consumers' receptivity to distant causes. Past research has demonstrated consumers' preference for local causes; however, no research has attempted to neutralize this preference. An interaction was tested between donation type and donation proximity. Although no differences were found in affective identification or perceived impact some compelling findings arose. First, the new variable of transparency was supported as a mediator between donation type and purchase intention. Second, study 2 tested if the mechanisms found in Study 1 could be replicated in a different product category. Affective identification and perceived impact did not account for the influence of donation type and proximity. It appears the findings of Study 1 do not generalize to products like flu shots. Third, both the type of donation and where the donation was occurring influenced purchase intentions. When international donates were made product donations significantly improved purchase intentions, compared to monetary donations. This suggests that both promotional elements are important determinants of consumer purchase intentions. However, different mediators seem to be needed to explain the processes. Future research should address the differences between durable and nondurable product donations in CRM contexts.

Theoretical and Managerial Implications

This research addressed conflicted findings in the literature regarding how consumers respond to different types of donations. Ellen, Mohr, and Webb (2000) found that when companies collect donations of products consumers perceive this as a willingness to exert more time and effort to help the cause. Conversely, Folse et al. (2014) found that consumers did *not* prefer product donations, because companies could be donating unsellable inventory or attempting to promote their brand. The present research addressed matched product donations specifically, a type of donation no research to date has addressed. Study 1 determined that

consumers prefer product donations compared to monetary, in support of Ellen, Mohr, and Webb (2000). Importantly, this study also addressed why this occurs. Consumers better connect to donation recipients when products are donated. This boosts feelings like empathy and perceptions about the impact the donation will have. The present research is the first to investigate the mechanisms responsible for consumer response to donation type.

Additionally, the studies presented add to the small but growing area of research that take into account consumers' emotions in CRM settings (Chang 2011). This research improves the IVE by testing if a subtle and implicit manipulation can produce the effect. Typically the IVE occurs when additional victim information is provided to individuals. The present research tests if a "get one, give one" type of CRM donation can generate the same effect. Merely thinking about the one pair of shoes donated to a needy recipient may cause consumers to fill in details associated with that individual. Past research has established that being more knowledgeable or familiar about needy victims increases generosity. The results of this research suggest that consumers are capable of creating these details themselves. Moreover, the IVE is introduced to a CRM, sales promotion context and as such, we make a meaningful contribution to broadening the scope of the theory. Additionally, the findings from this research explain the huge success of promotions like Tom's shoes "One for One," which was a phenomenon no existing research has accounted for. By understanding the mechanism responsible for the success of these programs other managers can strategize techniques to replicate the positive effect. The matched donation creates a connection between the consumer and the recipient. Any CRM campaign that created a comparable connection or established a similarity between the consumer and recipient should have positive effects. However, the effect seems to be limited to durable products.

Marketing managers would be wise to provide details to consumers about the nature of the donation. The more concrete and explicit the donation seems the less questions consumers will have about the legitimacy of the program. This confidence should translate into increased sales. Moreover, allowing access to promotion results, like how much money was ultimately donated, would strengthen long-term consumer relationships.

Limitations and Future Research

The present research examines when donations closely match those purchased by consumers. Many campaigns in the market operate on a "get one, give one" structure, but do not donate products that match those purchased by consumers. For example, Michael Kors ties the sales of a particular watch to the donation of 100 meals. Additionally, Pampers has partnered with UNICEF and donates one vaccine for each pack of diapers purchased. It is unclear if the findings from this research would hold for these types of donations. The connection created with the matched donations would likely be weakened when products donated are not matched with those products purchased.

Future research should examine the impact of the IVE with other types of causes. The studies presented here examined causes that provide humanitarian aid. Future studies should examine if environmental issues can be framed to produce the same identification effect. During the interview with the Bass Pro manager he mentioned a promotion done regularly run by Orvis, a fishing retailer. The company features one body of water in their catalog and describes issues threatening fish habitats in that area. The company then solicits donations to improve that specific body of water. Later issues of the catalog feature the outcome of the campaign and the interventions done to improve the habitat. Research has yet to address if the IVE is limited to

human interaction or if it could be generalized outside of social domains. The success of Orvis's campaigns would suggest that identification drives more than just humanitarian responses.

Additionally, more research is needed on in-kind donations and implications for brand awareness and image improvements for the for-profit firm. This phenomenon was another curious finding from the managerial interviews. Literature related to source credibility would suggest that if NPOs distribute or endorse a brand consumers should be more trusting. The present research only addressed situations where the company was the source of the message.

In conclusion, matched product donations seem to be an effective CRM strategy. Companies have the potential to create an important connection between consumer and donation recipients. This connection leads consumers to feel more compassionate and perceive they have the opportunity to really help those in need. Moreover, this connection may be strong enough to make consumers receptive to distant causes. In conclusion, "In-kind" donations may be seen as more kind by consumers.

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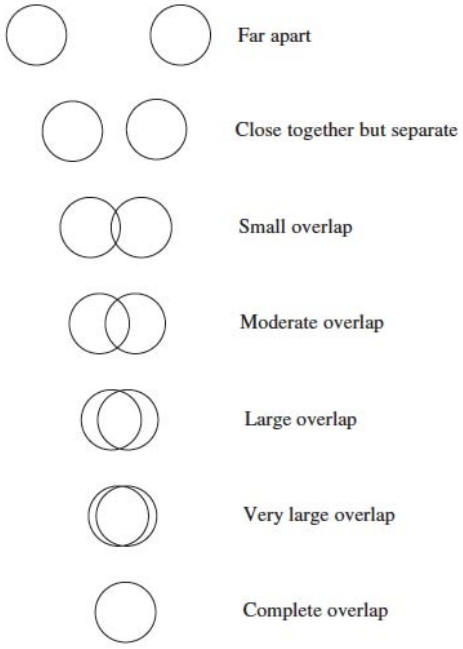
APPENDIX

Table 7: Scales used in Essay 2	
Construct	**Scale Items**
Empathic reactions (Erlandsson, Björklund, and Bäckström 2015) Used in Study 1	• To what extent do you feel emotionally touched by the donation? • To what extent do you feel emotionally uneasy when reading the donation? • Do you feel strong empathic feelings toward the victims? • To what extent do you feel compassion and sympathy toward the victims?
Empathic reactions (Batson 1991; Shaw et al. 1994) Used in study 2	When you think about the donation recipient, to what degree do you feel the following emotions? Sympathetic? Warm? Compassionate? Softhearted? Tender? Moved? To what extent do you empathize with the child receiving the donation?

Oneness (Cialdini et al. 1997)	Subjects are shown a series of seven increasingly overlapping pairs of circles with one circle in each pair labeled "self" and the other labeled "other" and are asked to select the pair that "best describes your relationship with the donation recipient." 
Perceived Impact (Erlandsson, Björklund, and Bäckström 2015)	Rate how you perceive the utility of donation: • I think one can do a lot of good • I think it seems possible to make a big difference • I believe the expected consequences are very positive
Attitude Toward the Cause (Lichtenstein and Bearden 1989; La Ferle et al. 2013)	• favorable/unfavorable • bad/good • harmful/beneficial • attractive/unattractive • poor/excellent • disadvantageous/advantageous • worthless/valuable • I like the offer/I didn't like the offer
Transparency (Eggert and Helm 2003; Vaccaro and Madsen 2009; Vaccaro and Echeverri 2010)	• Overall, the pharmacy provides the information needed to understand how they are helping promote children's health. • The pharmacy clearly explains what donation they are making. • The pharmacy provided relevant information regarding their donations to the children with vision needs.

Social Desirability (Strahan and Gerbasi 1972; Luo, Rindfleisch, and Tse 2007)	• I like to gossip at times. • There have been occasions when I took advantage of someone. • I'm always willing to admit it when I make a mistake. • I always try to practice what I preach. • I sometimes try to get even rather than forgive and forget. • At times I have really insisted on having things my own way. • There have been occasions when I felt like smashing things. • I never resent being asked to return a favor. • I have never been irked when people expressed ideas very different from my own. • I have never deliberately said something that hurt someone's feelings.

VITA

EDUCATION

M.B.A Missouri State University, Springfield (AACSB Accredited)
Master of Business Administration (Accelerated) – December 2010

B.S. Missouri State University, Springfield
Major: Marketing, magna cum laude – Aug. 2008
Concentration: Advertising and Promotion

MANUSCRIPTS ACCEPTED

Scott Vitell, Robert A. King, **Katharine Howie**, Jean-François Toti, Lumina Albert, Encarnación Ramos Hidalgo, Omneya Yacout (2015). "Spirituality, Moral Identity and Consumer Ethics: A Multi-Cultural Study," Accepted March 2015: *Journal of Business Ethics*.

SELECTED RESEARCH IN PROGRESS

Katharine Howie and Parker Woodroof, "Keep it in the Family: A Look at Spillover Effects of Cause- Related Marketing Campaigns for Non-Focal Nonprofits," targeted to *Journal of Business Research*.

Katharine Howie and Lifeng Yang "Positive Effects of Misfit in Sponsorship Relationships: When Misfit Benefits the Brand," targeted to *Journal of Consumer Research*.

Katharine Howie and Lifeng Yang "Is Less More for Cause-Related Marketing? The Effect Of Promotion Duration on Consumer Response," targeted to *Journal of Consumer Psychology*.

NATIONAL CONFERENCE PROCEEDINGS

Katharine Howie and Lifeng Yang (2014),"Positive Effects of Misfit in Sponsorship Relationships: When Misfit Benefits the Brand", in NA - Advances in Consumer Research Volume 42, eds. June Cotte and Stacy Wood, Duluth, MN: Association for Consumer Research, Pages: 819-819.

Katharine Howie and Lifeng Yang (2014),"Consumer Participation in Cause-Related Marketing", in NA - Advances in Consumer Research Volume 42, eds. June Cotte and Stacy Wood, Duluth, MN: Association for Consumer Research, Pages: 819-819.

Katharine Howie and Parker Woodroof (2014), "Keep it in the Family: A Look at Spillover Effects of Cause- Related Marketing Campaigns for Non-Focal Nonprofits," in Advances in Marketing: Transformational Marketing, Rebecca VanMeter and Jeri Weiser, Editors. New Orleans, LA: Society for Marketing Advances, pp. 27-28.

CONFERENCE PRESENTATIONS

Katharine Howie and Lifeng Yang (2015) "Is Less More for Cause-Related Marketing? The Effect Of Promotion Duration on Consumer Response," Association of Consumer Research, New Orleans, LA.

Katharine Howie, Parker Woodroof, Josh Coleman, Rebecca VanMeter (2015), "A Special Session on: Advancing the Cause of Cause-Related Marketing" Special session presentation. Academy of Marketing Science, Denver, CO.

Vitell, Scott, Robert King, and **Katharine Howie** (2014) "Spirituality, Moral Identity and Consumer Ethics: A Multi-Cultural Study," Southeast Marketing Symposium. Fayetteville, AR.

Katharine Howie and Lifeng Yang (2013), "When Brand Sponsorship Benefits and When It Backfires," American Marketing Association Summer Conference, Boston, MA.

Chi Zhang, **Katharine Howie**, Bruce Carmona (2013) "Parental Guidance: Attributing Private Label Brands to their Parent Retailers," Southeast Marketing Symposium. Baton Rouge, LA.

SERVICE

Reviewer for the Journal of Business Ethics (2015)
Reviewer for ACR (2015)
Reviewer for AMS (2015)
Reviewer for Summer and Winter AMA (2013-2015)

PROFESSIONAL AFFILIATIONS

Society for Marketing Advances
Association for Consumer Research
Academy of Marketing Science

HONORS AND AWARDS

University of Mississippi Research Assistantship (2012 – present)
American Marketing Association Sheth Doctoral Consortium Fellow (2015)
Association for Consumer Research Doctoral Consortium Fellow (2014)

Society for Marketing Advances Doctoral Consortium Fellow (2013 & 2014)
Graduate Assistantship, The University of Mississippi (2012 – Present)
Delta Sigma Pi, Former Vice President, International Professional Business Fraternity (inducted 2006)

TEACHING EXPERIENCE

Consumer Behavior (June 2015 and Fall 2015)

Advertising (Fall 2015 and Spring 2016)

Principles of Marketing (Spring 2016)

Invited Lectures for the University of Mississippi

October 2014: Creating a Unified Brand Presence
Advertising, Robert A. King

October 2014: New Product Adoption
Consumer Behavior, Lifeng Yang

February 2015: Advertising Techniques for Retailers
Advertising, Robert A. King

Teaching Interests: In addition to the courses listed above, I am interested in teaching Digital Marketing, Social Media Marketing, E-commerce, Retailing, New Product Development, Pricing, Marketing Strategy, Sales Management, International Marketing, Marketing Research, Business Ethics, Marketing for Nonprofits, and any other courses that a department might need.

GRADUATE COURSEWORK

Methods

Research Methods I	Walter D. Davis
Research and Experimental Design	Douglas W. Vorhies
General Linear Models I	John P. Bentley
Applied Multivariate Analysis	John P. Bentley
Statistics III: Advanced Statistical Topics (SEM)	Douglas W. Vorhies
Mediation and Moderation	John P. Bentley

Marketing

Marketing Management	Douglas W. Vorhies
Advanced Studies in Consumer Behavior	Melissa Cinelli
Customer Relationship Marketing	Victoria Bush
Theoretical Foundations of Marketing	Scott J. Vitell

PROFESSIONAL EXPERIENCE

Loyalty Program Specialist, Bass Pro Shops, Springfield, MO
December 2010-July 2012
Managed credit card and rewards program for largest independently owned outdoor retailer
Conducted sales training for credit card sales teams and management in 56 stores (US & Canada)
Educated management and frontline store employees on rewards programs and warranty products
Implemented sales incentive programs for sales managers, sales teams, and general store employees
Designed promotions for online content, e-mail, catalog, and direct mail
Tracked sales teams performance and designed bonus structures
Developed and executed print and web promotions to acquire and retain credit card customers
Assisted with store openings and training new associates

Marketing Graduate Assistant, Plaster Student Union, Missouri State University
June 2009-December 2010
Marketed five food vendors and Level 1 Game Center across campus and the community
Represented the Student Union at freshman orientation and other university functions
Supervised multiple student workers

417 Magazine, Marketing Coordinator, Springfield, MO
August 2009 – January 2010
Maintained a consistent social media presence across multiple platforms
Created weekly emails promoting events, local businesses, and upcoming issues
Updated the website with contests, blogs, and event pictures
Hosted community wide events like bridal shows, tastings, and fashion shows
Executed events to recognize local business people and personalities featured in the magazine
Coordinated cooking classes with local chefs and sommeliers

Marketing Intern, Intuitive Medical Software, Springfield, MO
May 2008 – August 2008
Organized data entry and client information
Created interactive presentation to showcase the iPhone application
Assisted in preparing for trade shows