SLOVAK AGRICULTURE UNIVERSITY IN NITRA FACULTY OF ECONOMICS AND MANAGEMENT

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CAUSE – RELATED MARKETING AND ITS APPLICATION IN INTERNATIONAL COOPERATION WITH UNICEF

Adriana Čerťaská

SLOVAK AGRICULTURE UNIVERSITY IN NITRA FACULTY OF ECONOMICS AND MANAGEMENT

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Head of Department: L'udmila Nagyová, prof. Ing. PhD.

Supervisor: Ľudmila Nagyová, prof. Ing. PhD.

Nitra 2011 Adriana Čerťaská

| Declaration of Originality |
|---|
| I, the undersigned Adriana Čerťaská, solemnly declare that the thesis "Cause – Related Marketing and its application in international cooperation with UNICEF" is |
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| I am aware of legal consequences in case the data are not true and correct to the |
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| |

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Abstract

ČERŤASKÁ, Adriana: *Cause – Related Marketing and its application in international cooperation with UNICEF*. [Bachelor Thesis]. Slovak University of Agriculture in Nitra. Faculty of Economics and Management. Department of Marketing. Supervisor: prof. Ing. Ľudmila Nagyová, PhD. Qualification level: bachelor. Nitra: FEM SUA, 2011. 71 p.

The aim of this work was to highlight the role of cause marketing, as a subcategory of non – traditional type of marketing, in communication with customer and its application in mutual cooperation of IKEA company and world organization UNICEF. An introduction is aimed at new/ non – traditional marketing tools and characteristics of sponsorship but it also clarifies the marketing and communication mix as traditional forms of marketing. There is an application of theoretical background in specific examples of IKEA company and the United Nations Children's Fund in the practical part of the thesis. At the end of project, there is a short research evaluated on the basis of questionnaire. The results show a customer's perception of cause – related marketing and impact on customers, its importance in promotion, as well as various ideas of respondents that can help to change or improve the provided services.

Key words: IKEA, UNICEF, marketing, promotion, cause – related marketing, sponsorship

Abstrakt

ČERŤASKÁ, Adriana: *Príčinný marketing a jeho aplikácia v medzinárodnej spolupráci s UNICEF*. [Bakalárska práca]. Slovenská poľnohospodárska univerzita v Nitre. Fakulta ekonomiky a manažmentu. Katedra marketingu. Vedúci bakalárskej práce: prof. Ing. Ľudmila Nagyová, PhD. Stupeň odbornej kvalifikácie: bakalár. Nitra: FEM SPU, 2010. 71 s.

Cieľom tejto práce bolo poukázať na úlohu príčinného marketingu, ako pod kategóriu netradičného typu marketingu, v komunikácii so zákazníkom a jeho aplikácia vo vzájomnej spolupráci spoločnosti IKEA a svetovou organizáciou UNICEF. Úvod je zameraný na nástroje nového/ netradičného marketingu a charakteristiku sponzorstva, ale taktiež objasňuje marketingový a komunikačný mix ako tradičné formy marketingu. V praktickej časti bakalárskej práce je aplikovaná teória na konkrétnom príklade spoločnosti IKEA a Detským fondom OSN. V závere práce sa nachádza krátky výskum vyhodnotený na základe dotazníka. Výsledky zobrazujú vnímanie príčinného marketingu a vplyv na zákazníka, jeho dôležitosť v reklame, ako aj rôzne názory respondentov, ktoré môžu pomôcť zmeniť alebo zlepšiť poskytované služby.

Kľúčové slová: IKEA, UNICEF, marketing, reklama, cause marketing/ príčinný marketing, sponzorstvo

Table of contents

| A | bstract | 4 |
|----|---|----|
| T | able of contents | 6 |
| L | ist of illustrations | 8 |
| Iì | ntroduction | 9 |
| 1 | Theoretical background | 11 |
| | 1.1 Marketing | 11 |
| | 1.2 Marketing process. | 13 |
| | 1.3 Traditional Marketing | 15 |
| | 1.4 Non-traditional Marketing | 23 |
| | 1.5 Cause-Related Marketing. | 27 |
| | 1.5.1 How CRM works | 28 |
| | 1.5.2 Benefits. | 28 |
| | 1.5.3 Challenges | 28 |
| | 1.5.4 TYPES OF CRM | 29 |
| | 1.5.5 Sponsorship | 29 |
| | 1.5.6 Segments of sponsorship | 30 |
| 2 | Objectives | 31 |
| 3 | Data and Methodology | 32 |
| 4 | Results and discussion | 34 |
| | 4.1 Characteristics of IKEA | 34 |
| | 4.1.1 History | 34 |
| | 4.1.2 Specialization. | 34 |
| | 4.1.3 Marketing in IKEA | 35 |
| | 4.2. Characteristics of UNICEF | 37 |
| | 4.2.1 History | 37 |
| | 4.2.2 Mission | 37 |
| | 4.2.3 UNICEF in Slovakia | 38 |
| | 4.2.4 Marketing in UNICEF and partnership. | 39 |
| | 4.3 The application of CRM in cooperation of IKEA with UNICEF | 40 |
| | 4.3.1 Initial Alliance | 41 |
| | 4.3.2 Ikea Social Initiative | 41 |

| | 4.3.3 Campaigns | 41 |
|----|-----------------|----|
| 5 | Market Research | 45 |
| 6 | Recommendations | 54 |
| 7 | Conclusion | 55 |
| 8 | Resumé | 58 |
| 9 | Bibliography | 62 |
| Ap | pendices: | 66 |

List of illustrations

| Figure 1 Marketing process | 14 | | | | |
|--|--|--|--|--|--|
| Figure 2 Marketing Mix | 18 | | | | |
| Figure 3 Marketing Mix | 19 | | | | |
| Figure 4 Marketing Mix – Communication Mix | 21 | | | | |
| Figure 5 Categories of Nontraditional Marketing | 24 | | | | |
| Figure 6 Portion of respondents interviewed by gender | 45 | | | | |
| Figure 7 Portion of respondents interviewed by age | 46 | | | | |
| Figure 8 Portion of respondents interviewed by occupation | 46 | | | | |
| Figure 9 The opinion of respondents on cooperation of profit and non-profit | igure 9 The opinion of respondents on cooperation of profit and non-profit organizations | | | | |
| | 47 | | | | |
| Figure 10 The opinion of respondents on cooperation of profit and non-profit | fit organizations | | | | |
| | 47 | | | | |
| Figure 11 The occurrence of CRM in the promotions | 48 | | | | |
| Figure 12 The worth of advertisement - impression | 48 | | | | |
| Figure 13 The worth of advertisement – willingness to patronize | 49 | | | | |
| Figure 14 The worth of CRM | 49 | | | | |
| Figure 15 The belief in directors of non-profit organizations | 50 | | | | |
| Figure 16 The belief in credibility of campaigns | 50 | | | | |
| Figure 17 The reputation of IKEA | 51 | | | | |
| Figure 18 The positive reputation of IKEA and future cooperation | 51 | | | | |
| Figure 19 The success of IKEA products supporting charities | 52 | | | | |
| Figure 20 The willingness to pay for even bit higher prices | 52 | | | | |
| Figure 21 The scale of most effective causes | 53 | | | | |

Introduction

As the world moves towards international marketing is becoming of ever – greater importance to more and more companies and organizations around the globe. Independent global economy that is characterised by faster communication, transportation and financial flows, all of which are creating new marketing opportunities and challenges. Given these circumstances, it could be argued that companies face a deceptively straightforward and stark choice and must either respond to the challenges posted by a new environment, completion and worldwide problems.

In addition to above mentioned challenges, every firm is pushed to choose own way how to bring itself into sight through promotion, discounts or advantages, quality of goods and services last but not least there is also a possibility to embrace and opportunity and influence customer's decision by so called human way. The cooperation of companies, governments and non-governmental organizations with world organizations has become after World War II. When whole world was in ruin and nations wanted to keep peace. Even though the emergency help to coadjutant people in countries of the Third World has not a long life tradition in the Slovak Republic. Thanks to sponsor's support, UNICEF can rewrite the future of children all the world over.

Although not everybody living in the modern society is able to imagine terrible life in war-devastated country without food, water, and other life essential thing to live, but still more and more people are interested in campaigns supporting people in poverty. They can realize the importance and value of life even though their life situation is completely different. I feel to be one of them and this is the main reason I have decided to deal with cause – related marketing of companies in connection with the mentioned world-wide problems.

In the late 1970s and throughout the 1980s numerous companies included causerelated marketing as a strategy to accomplish objectives such as increasing sales and market share, advancing corporate social responsibility, and improving corporate and product image. There are now many versions of cause-related marketing, but basically it is an agreement between a business entity and a non-profit to raise money for a particular cause. Cause Marketing has been one of the fastest growing marketing segments in recent years. Done properly both the charity and the business can benefit greatly.

The investigation of this work deals with an analysis of cause – related marketing power in decision making on the basis of different international campaigns and projects connected with cooperation of profit and non-profit organizations. At the very beginning of my project - in the theoretical part, I defined the marketing, its role in decision making process and I divided marketing theory into traditional and non-traditional forms. Later on, I mentioned marketing and communication mix and I focused on new form of marketing – cause - related marketing in more detail. Secondly, I have decided to present general information about IKEA as an example of international company using a case oriented marketing in its promotional mix and the United Nations Children's Fund - the organization's history, mission and partnership, as well as analysis of their marketing approach. A part of practical division is also facts about the international campaigns of UNICEF and its partner cooperation, their aim a results. The empirical part investigates the more detailed research about emergency help in practice. Finally, this work was enriched by market survey conducted by questionnaire. The results clearly show that the cooperation of profit organisations with charities and non-for-profit organizations is very effective form of advertising.

The main goal of my research was to obtain the information for analysing the cause – related marketing effectiveness and perception of good causes promotions by customers.

1 Theoretical background

1.1 Marketing

The most widely known character of marketing Philip Kotler (2009: p. 4) claims that the importance of marketing is represented by a significant dimension of any business in today's highly competitive environment therefore the financial success often depends on marketing ability. Finance, operations, accounting, administration and other business functions will not really matter if companies do not understand consumer needs and identify sufficient demand for their products and services for them to make a profit. Marketing is a complex set of tasks as well as a philosophy of business and it has been the Achilles heel of many formerly prosperous companies.

Armstrong et al. (2007: p. 7) said: "Broadly defined, marketing is a social and managerial process by which individuals and organisations obtain what they need and want through creating and exchanging value with others. In a narrower business context, marketing involves building profitable, value-laden Exchange relationships with customer. Hence, we define marketing as the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return."

Kotler et al. (2010: p. 29) defined marketing as not only a selling and advertising as many people think. The word marketing is understood in sense of **satisfying customer wants and needs**. A good marketer, who does the right job of understanding consumer needs, develops such a product and service that provide superior customer value at the reasonable prices, distributes and promotes them effectively, these products will sell very easily. Thus, selling and advertising are only part of marketing tools and work together to satisfy customer needs and build customer relationships.

Stokes and Lomax (2008: p. 5) have concluded the number of views as marketing is an elusive term. They commented that such as marketing describes both a management strategy focusing on customer satisfaction, and a series of functions such as advertising, product development, selling and market research. The reason for diversity of meaning is that marketing is both a management philosophy and a function in an organisation. As a

philosophy, it insists that an organisation is focused on the needs of customers. As a function, it includes activities which affect customers such as pricing, advertising, selling and market research. They traditionally divided marketing theories into four elements:

- The overall philosophy/market orientation of the business
- The market intelligence/information-gathering used to underpin this orientation and inform activities
- o *The strategy* used in relation to customers in the marketplace
- o *The marketing methods* used to win and keep customers¹

1.1.1 Domestic vs. International Marketing

Bennett with Blythe (2002: p. 5) noted that for international as well as domestic marketing the basic tools and concepts are applied in order to satisfy consumer demand, although the problems encountered in international marketing and the techniques used to overcome them can differ considerably. Marketing within a firm's home country is undertaken in a familiar environment, with known and accessible data sources and a single set of prices for advertising media, marketing services, printing of promotional materials, market research and so on. For international marketing the environment differs substantially from country to country: services and facilities are priced differently and may not be available at all in some countries. Cultural, legal, political, economic and other environments differ markedly among nations.

Domestic vs. International environments as different levels of marketing can be expressed in the following terms:

- ❖ *Domestic marketing* involves the company manipulating a series of controllable variables such as price, advertising, distribution and the product, in a largely uncontrollable external environment that is made up of different economic structures, competitors, cultural values and legal infrastructure, within specific political or geographic country boundaries.
- ❖ *International marketing* which involves operating across several markets in which not only do the uncontrollable variables differ significantly between one

¹ STOKES, D. - LOMAX, W. 2008. *Marketing*. London: Thomson Learning, 2008. p. 5, ISBN 978-1-84480-552-5.

market and another, but the controllable factors in the form of cost and price structures, opportunities for advertising, and distributive infrastructure are also likely to differ significantly. It is these sorts of differences that lead to the complexities of international marketing. ²

1.2 Marketing process

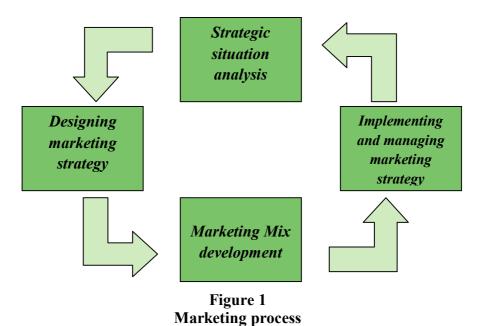
The marketing process is identified by Bennett and Blythe (2002: p. 3) as an important way to discover unfulfilled customer needs and bring to market products and services that satisfy those needs. Such a process can be modelled in a sequence of the following steps, described in **Figure 1**: the situation is analyzed to identify opportunities, the strategy is formulated for a value proposition, tactical decisions are made, the plan is implemented and the results are monitored.

- 1. Situation Analysis: In order to profitably satisfy what people need, the companies must understand its external and internal situation, including the customer, the market environment, and its own capabilities.
- **2.** *Marketing Strategy*: Definitely the best possibility how to satisfy unfulfilled customer needs is to create a strategic plan for pursuing the opportunity. Market research will provide specific market information that will permit the firm to select the target market segment and optimally position the offering within that segment. The result is a value proposition to the target market.
- **3.** *Marketing Mix Decisions*: Major components of the Marketing Mix generally fall into the following main headings:
 - ❖ **Promotion** connected with the advertising, principles of merchandising, public relations and control and deployment
 - ❖ Product represents design and quality of outputs, consumer needs evaluation, sale products, service and policy for customer care
 - ❖ Price setting the price strategy, expected competitor's responses

² PHILLIPS, Ch. et al. 1994. *International marketing strategy: analysis, development, and implementation.* New York: Routledge, 1994. p. 14, ISBN 0-415-08985-9.

13

- ❖ Place selection of distribution channels, transport arrangements³
- 4. Implementation and Control: At the point of implementation and control, the marketing plan has been developed and the product has been launched. Given that few environments are static, the results of the marketing effort should be monitored closely. As the market changes, the marketing mix can be adjusted to accommodate the changes. Often, small changes in consumer wants can addressed by changing the advertising message. As the changes become more significant, a product redesign or an entirely new product may be needed. The marketing process does not end with implementation continual monitoring and adaptation is needed to fulfil customer needs consistently over the long-term.⁴



Source: own creation according to http://www.netmba.com/marketing/process/

According to Davis (2010: p. 284), brand building depends on reaching those markets with the right communications. Marketing communications is a broad discipline encompassing a set of activities designed to persuade customers to purchase the firm's products. Integrated marketing communication models can be classified into **traditional** and **non-traditional marketing** areas.

⁴ *The marketing process.* [online]. 2011. USA: ICMBA, [cit. 8.4.2011]. Available from Internet: http://www.netmba.com/marketing/process/>.

³ BENNET, R. – BLYTHE, J. 2002. *International marketing: strategy planning, market entry & implementation.* London: Kogan Page Ltd., 2002. p. 3, ISBN 0-7494-3808-8.

1.3 Traditional Marketing

Davis (2010: p. 288) also developed this division and stated that the traditional marketing refers to a set of practices that emphasize development of, and communication about, products, identification of customer types and their associated behaviours, and the competitive environment. The marketing messages are then either pushed onto consumers by company-let promotions and field sales forces selling directly, or pull campaigns, characterized by heavy advertising typically geared for building awareness. Traditional marketing tends to be narrow in scope, focusing on features and benefits and controlled by companies through advertising and promotions designed to tell consumers how great the products are.

1.3.1 Marketing Mix

Stevens et al. (2006: p. 164) defined marketing mix through its importance for marketing operation. For marketing to work, company must manage the marketing mix in an integrated fashion. Yet in many companies, responsibilities for different elements of the marketing mix are in the hands of different individuals or departments. Planning the marketing mix begins with the product or service to be offered. Pricing structures, promotional mixes, and channels of distribution are all based on the product or service that is offered to the consumer. The consumer's viewpoint of a firm's offering must be taken in order to understand fully what is meant by the term product – likewise, this approach must be taken in order to develop products with the right attributes.

Their statement was followed by Kotler's (2003: p.64) characteristics which says that marketing effectiveness represents the company's search for a more productive marketing mix. A company might increase its marketing effectiveness by replacing higher cost channels with lower cost channels, shifting advertising money into public relations, adding or subtracting product features, or adopting technology that improves the company's information and communication effectiveness. The aim of marketing is to maximize not just your sales but your long-term profits. While salespeople focus on sales, marketers must focus on profits. Show me a top marketer, and you will be showing me a person who is financially well-versed.

The idea of the marketing mix was introduced by Neil Borden in the 1950s, developed from the nation of the marketer as a mixer of ingredients reconciling the various

means of competition and the need to make a profit. Comprising the above main elements, it was soon labelled the 4Ps.

Neil Borden was in introducing of marketing mix idea followed by Alder Harry (2001: p. 41) who stated that earlier models existed, but these did not have the same universal impact on business. For example, the "organic functionalist" approach advocated by Wroe Alderson and "parameter theory" developed by Copenhagen school in Europe. Over the years these were all but abandoned. Earlier approaches still, such as the commodity, functional, and geography-related regional and institutional schools suffered the same fate. None of these had the popular impact of the simple, 4ps marketing mix.

But rather than rendering the 4ps as just another fashion, these intellectual but transient precursors only highlight its robustness over a generation, and the remarkable way in which it created modern marketing. Marketing, and the 4Ps, have met a number of crossroads over the years. In due course, however, the 4Ps marketing mix model became an accepted part of academic research and marketing practice and simply taken for granted.

Baker and Hart (2008: p. 251) recognized two key decisions which are central to marketing managements: the selection of target markets which determine where the firm will compete and the design of the marketing mix (product, price, promotion and distribution method) which will determine its success in these markets.

Baker with Hart (2008: p.258) claimed that the marketing mix or 4Ps of product, price, place (distribution), and promotion, are known to anyone that has ever taken an introductory marketing class. Although many attempts have been made to replace or expand the Ps, they've endured as an effective method for organising the major tactical tools marketers can deploy in a competitive marketplace. Just as the 4Ps have an enduring place offline, their importance online is equally compelling. Many dot com failures can be attributed to weak or non-existent attention to the planning, implementation, and control of the marketing mix, and the essential details that mean the difference between profitability and bankruptcy.

Baker and Hart (2008: p. 463, 464) are also authors of idea that the marketing mix consists of those marketing strategies that companies use to persuade and manipulate the market. An inventory of marketing mixes and their various applications show that there is

a rich variety and little coherence. They are most popularly represented by the 4Ps: product, price, promotion and place. They offer an easy-to-remember simplification.

Kotler in 1984 defined The 4P as a logic straightforward. A supplier needs products, needs to price them, to promote them and distribute them to the place where the customer can buy them. The 4Ps have been extended to 5Ps by adding people and 6Ps by adding political power and public opinion formation.

Booms and Bitner (1981) suggested the 7Ps for services marketing, the original ones plus participants, physical evidence and process. The three new service Ps stress that the customer is a participant in production and through this exposed to marketing, that goods influence services marketing, and that services are a series of activities and not static objects. This is an informed effort to adapt the Ps to services, but the pedagogical beauty of the P format may curb more visionary attempts to develop marketing theory.

Barker and Angelopulo (2006: p.138) noted the four variables about which the marketing management team must make decisions in its marketing strategy are the product itself, the price (which should reflect its value to the consumer), the promotion (the marketing communication methods to be used to inform the consumer about the product) and the place where it is to be sold (distribution of the product). The organisation develops a marketing strategy, which includes these four variables, to align the organisation's operations with the intention of satisfying the needs and wants of its target market. A target market is that specific section or group of consumers at whom the organisation directs its marketing efforts.

The traditional 4Ps are:

- o Product
- o Price

o *Place* (distribution channel)

o **Promotion** (marketing communication)⁵

-

⁵ BARKER, R. – ANGELOPULO, G. 2006. *Integrated Organisational Communication*. Cape Town: Juta & Co. (Pty) Ltd., 2006. p. 139, ISBN 0-7021-6664-2.

Barker and Angelopulo (2006: p.139) defined an organization's marketing plan which includes strategies that indicate how the various elements of the marketing mix contribute to the achievement of marketing objectives. Then a marketing plan is compiled, consideration is given to each of the 4Ps as it is shown in **Figure 2**, while the focus is on strategic issues based on the unique competitive advantage. The basic task of marketing is to combine these four elements into a marketing programme to enhance its efficacy in dealing with customers.

Leeman (2010: p. 143) outlined that if the fulfilling consumer – and customer needs we have to take four important external trends into account: a shift from mass to individual, form producer to customer, form indirect to direct, and form push to pull. These trends lead to a more fragmented market which will become more and more demand – read customer – driven. As a result companies have to increasingly develop their product – and services assortment based upon the needs of many different customer groups: mass marketing is "out", mass customisation is "in".



Figure 2
Marketing Mix

Source: own creation according to http://influencemarketingdepartment.blogspot.com

At present, we encounter the view that the model "4P" takes into account the view seller, regardless of the buyer. Modern/New marketing, therefore, extends the traditional model "4P" model "4C" as it is evident from **Figure 3**. From the customer's perspective is so important model "4C", which consists of:

- o *Customer value* the value for the customer
- Customer's total cost total costs of customer

- o *Convenience* Convenient access to service
- o **Communication** communication with customers⁶

Companies need to create a value proposition which fits each different customer group well. It is not only about the price/value relationship, it is also about the process and effort to receive and consume the product or service.

Figure 3: Marketing Mix

| 4P - Mix | 4C - Mix | | |
|-----------|---------------|--|--|
| PRODUCT | CUSTOMER | Consumer wants and needs | |
| PRICE | COST | Total costs focus: price, effort, usage | |
| PLACE | CONVENIENCE | Buying preference and distribution channel | |
| PROMOTION | COMMUNICATION | Interactive, relationship development | |

Source: own creation according to LEEMAN, J. 2010. *Export Planning*. Düsseldorf: Institute for Business Process Management, p. 143.

1.3.2 Communication Mix

Trehan and Trehan (2010: p.174) dealt with Marketing communication mix or promotion mix (**Figure 4**) and said that it is a particular combination of promotion tools used by a business unit to communicate with the audience. There are six major promotion tools: advertising, sales promotion, publicity, personal-selling, direct marketing and interactive/internet marketing. Together these tools make up the promotion or marketing communication mix. Marketing retailers, present consumers, potential consumers, general public, etc. It includes all types of efforts made by the firm whether personal, non-personal, paid or unpaid. In addition to six promotional tools named above, communication mix also includes product's design, packaging, labelling etc. As all these communicate something to buyers.

According to Philip Kotler (2003), "A company's total marketing communication mix – also called its promotion mix consists of the specific blend of advertising, personal selling, sales promotion, public relations and direct marketing tools that the company uses to pursue its advertising and marketing objectives."

⁶ LEEMAN, J. 2010. *Export planning*. Düsseldorf: Institute for Business Process Management., 2010. p. 143, ISBN 9-783839-137864.

According to Gary Armstrong (2007), "A company's promotional mix include advertising, personal selling, sales promotion, public relations, direct marketing. It also includes product's design, shape, package, colour, label etc. As all these communicate something to the buyers."

According to George Belch (2001), "The basic tools used to accomplish an organisation's communication objectives are known as promotion mix and includes advertising, direct marketing, interactive/internet marketing, sales promotion, publicity/public relation and personal selling. A successful communication mix requires the right combination of promotional tools."

Koekemoer (2004: p. 18, 19) stated that a marketer may spend the majority of the promotion budget on, say, advertising, but may also spend a little money on public relations, which results in some favourable publicity. This, in turn, may lend just the right amount of credibility to the marketer's advertising claims. The real "secret" is to be able to judge just how to apportion the marketing communication budget to the various elements of the mix. The objective is to integrate them in a way that produces the best possible synergy.

Accomplishing this is not easy. It might even be argued that there is no way to determine the optimum blend of the marketing communication mix elements. But with experience and a constant evaluation of results it is possible to improve one's mix significantly. It is also useful to examine the usage of the elements by other firms in the same industry.

Communication mix is created by:

- o Personal selling
- o Advertising
- Sales promotion
- o Public relations
- Direct marketing⁷

⁷ KOEKEMOER, L. 2004. *Marketing Communications*. Lansdowne: Juta and Co. Ltd., 2004. p. 19, ISBN 0-7021-6509-3.

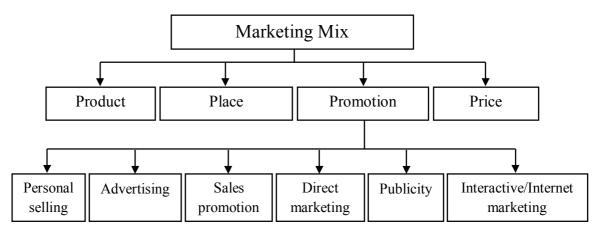


Figure 4
Marketing Mix – Communication Mix

Source: own creation according to TREHAN, M. – TREHAN, R. 2010. *Advertising and Sales Management*. New Delhi: V.K. (India) Enterprises, 2010. p. 175

Personal selling

Cant with Heerden (2008: p. 3, 4) characterized that people usually think that "personal selling" and "marketing" mean the same thing. Personal selling is in fact one of many marketing communication activities. Other examples of marketing communication activities are advertising, sales promotion, direct marketing, publicity and sponsorship. Personal selling can be defined as the process of person-to-person communication between a salesperson and a prospective customer in which the former learns about the latter's needs, and seeks to satisfy those needs by offering the prospective customer the opportunity to buy something of value, such as a good or a service.

Personal selling has a few important characteristics: it is flexible, builds relationships, allows for more efficient communication, is a form of dyadic communication, can be expensive and sometimes it may involve unethical practices.

Advertising

Trehan, M. and Trehan, R. (2010: p. 175) described advertising as the main form of mass-communication. Advertising is any paid form of non-personal communication about an organisation and/or its products that is transmitted to target-audience through a mass medium by an identified sponsor. The paid aspect of this definition reflects the fact that the firm has to make payment to the media for communicating its message to audience. Advertising involves mass media that can transmit message to a large group of individuals at the same time. This type of communication mix allows the advertiser to repeat the message a number of times. It also helps the firm in making the brand familiar and popular.

Sales promotion

In addition, Leslie Stair and Lila Stair (2009: p. 6) noted to advertising, sales promotion and public relations campaigns generate sales. These two areas are completely separate and have totally different objectives. Closely linked to advertising, which is a non-personal presentation, sales promotion targets the consumer more individually. An industry saying is "Advertising suggest, while sales promotion motivates."

Sales promotion falls into three categories:

- **❖** *Consumer promotion* − includes samples, coupons, rebates, games, contests, and other incentives.
- ❖ Trade Promotion for intermediaries such as dealers and distributors, includes cooperative ads, free goods, and dealer sales contests.
- ❖ Sales Force Promotion includes such incentives as sales meetings, contests for prizes, and bonuses.⁸

Public relations

According to Johnson and Zawawi (2004: p. 6), public relations practitioners and academics have been explaining the term for a long time. In 1967 Don Barnes, then president of the New South Wales chapter of the Public Relations Institute of Australia, published a paper entitled what is Public Relations? He described the purpose of public relations publics – the groups of people who are important to it. He further described the functions of public relations practitioners as being:

- o **To advise** management on policy and its effect on public relations,
- To channel and coordinate within an organisation the activities that affects public relations.
- o *To provide* the mechanics for explaining an organisation and its policies to its various publics through communications media,
- To ascertain and explain to management what various publics think about the organisation.⁹

⁸ STAIR, L. – STAIL, L. 2009. *Careers in Marketing*. New York: The McGraw-Hill Companies, Inc., 2008. p. 6, ISBN 0-07-149312-3.

⁵ JOHNSTON, J. – ZAWAWI, C. 2009. *Public Relations*. Crows Nest: Allen & Unwin, 2009. p. 592, ISBN 978-1-74175-627-2

We therefore define public relations as the ethical and strategic management of communication and relationships in order to build and develop coalitions and policy, identify and manage issues and create and direct messages to achieve sound outcomes within a socially responsible framework.

Fill (2009: p. 592) defined public relations consisted of three major roles to play within the communications programme of an organisation: the development and maintenance of corporate goodwill, the continuity necessary for good product support, and through these, the development and maintenance of suitable relationships. Creating goodwill and stimulating interest between the organization and its various key stakeholders is the task to provide a series of cues by which the stakeholders can recognise, understand and position the organisation in such a way that the organization builds a strong reputation.

The second role which Fill (2009: p. 592) listed is to support the marketing of the organisation's products and services and to integrate with the other elements of the marketing communications mix and the third one is to provide the means by which relationships can be developed. To do this public relations has a responsibility to encourage dialogue to provide the means through which interaction, discourse and discussion can occur and to play a full part in the communication process and the messages that are conveyed, listened to, considered and acted upon.

Direct marketing

According to Kapoor (2010: p. 413) is direct marketing the use of the telephone, Internet, and non-personal media to communicate product and organizational information to customers, who then can purchase products via mail, telephone, or the Internet. Direct marketing is one type of nonstore retailing and can occur through catalogue marketing, direct-response marketing, telemarketing, television home shopping, and online marketing.

1.4 Non-traditional Marketing

MacKenzie et al. (2010: p. 29) stated, that as marketing evolved into an organization-wide activity, its application has broadened far beyond its traditional boundaries of for-profit organizations engaged in the creation and distribution of tangible goods and intangible services. In many cases, broader appeals focus on causes, events,

individuals, organizations, and places in the not-for-profit sector. In other instances, they encompass diverse groups of profit-seeking individuals, activities, and organizations. Figure 5 lists and describes five major categories of non-traditional marketing:

***** Person Marketing

A Place Marketing

& Cause Marketing

& Event Marketing

❖ Organization Marketing¹⁰

These categories can overlap - promotion for an organization may also encompass a cause, a promotional campaign may focus on both an event and a place.

Figure 5: Categories of Nontraditional Marketing

| ТҮРЕ | BRIEF DESCRIPTION | EXAMPLES |
|---------------------------|--|---|
| Person marketing | Marketing efforts designed to cultivate the attention and preference of a target market toward a person | Athlete Steve Nash, Political leader Stephen Harper, Celebrity Nelly Furtado |
| Place marketing | Marketing efforts designed to attract visitors to a particular area; improve consumer images of a city, province, or nation; and/or attract new business | Saskatchewan: Land of Living Skies, Nova Scotia: Canada's Ocean Playground, Manitoba: Friendly Manitoba |
| Cause marketing | Identification and marketing of a social issue, cause, or idea to selected target markets | "Reading Is Fundamental." "Friends don't let friends drive drunk." "Be a mentor." |
| Event marketing | Marketing of sporting, cultural, and charitable activities to selected target markets | Grey Cup 2010 Vancouver Winter Olympics Calgary Stampede |
| Organization marketing | Marketing efforts of mutual-benefit organizations, service organizations, and government organizations that seek to influence others to accept their goals, receive their services, or contribute to them in some way. | United Way: Without you, there would be no way. Canadian Red Cross: Anywhere. Anytime. Sierra Club: Explore, enjoy, and protect the planet. |

Source: own creation according to MACKENZIE, H. et al. 2010. Contemporary Marketing. Toronto : Nelson Education, Ltd., 2009. p. 30

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 $^{^{10}}$ MACKENZIE, H. et al. 2010. $\it Contemporary Marketing.$ Toronto : Nelson Education, Ltd., 2009. p. 29, ISBN 978-0-17-650003-0.

Davis (2010: p. 300) claimed that non-traditional marketing describes newer marketing practices that facilitate interactive relationships between brands and customers. Non-traditional marketing is broader in scope, focusing not just on product features and benefits but also on customer emotions and interests. The marketing communications philosophy is based on two-way communication between brands and customers discussing a range of topics, including:

- brands
- products
- companies
- consumer lifestyle interests¹¹

In addition, Davis (2010: p. 300) listed that awareness and customer loyalty are developed based on authenticity as perceived by the market. In essence, customers determine whether or not they believe in the brand, which serves as the source of the brand's success. Consequently, consumers are more actively involved in receiving and responding to the brand's marketing communications, making purchase decisions based on recommendations by other customers, as opposed to just company-initiated messages.

Person Marketing

MacKenzie (2010: p. 29) claimed that person marketing involves efforts designed to cultivate the attention, interest, and preferences of a target market toward a celebrity or authority figure. Celebrities can be real people, such as a local television news or sports announcer, or local radio personality. These people are often promoted in magazine ads or on billboards in an attempt to increase viewership or listenership. Celebrities can be fictional characters or can be widely recognized authority figures. Campaigns for political candidates and the marketing of celebrities are examples of person marketing. In political marketing, candidates target two markets. They attempt to gain the recognition and preference of voters and the financial support of donors. An extension of person marketing involves celebrity endorsements, in which well-known athletes, entertainers, and experts or authority figures promote products for companies or social causes for non-for-profit organizations.

¹¹ DAVIS, J. 2010. Competitive Sucess. West Sussex: John Wiley & Sons, Ltd., 2009. p. 300, ISBN 978-0-470-99822-9

Place Marketing

MacKenzie et al. (2010: p. 30) described another category of non-traditional marketing - place marketing, which attempts to attract customers to particular areas. Cities, provinces, regions, and countries publicize their tourist attractions to lure vacation travellers. They also promote themselves as good locations for businesses. Place marketing has become more important in the world economy – not only for tourism but also to recruit business and workers. As they rebuild, cities or regions that have suffered war or natural disasters may advertise reopening attractions to tourists alongside opportunities to businesses

Cause Marketing

Cause marketing or cause related marketing are terms used to describe a strategic partnership between a for profit and non profit organization. Support is given to a charitable cause in such a way that it also promotes the business interest or image of the for profit company.¹²

Event Marketing

Kotler (2010: p. 505) characterized event Marketing as one of the most effective ways to promote the brand and develop a relationship with teens and young adults and fuse's event marketing group develops and manages unique and credible on-site experiences that engage youth culture on their own term while showcasing a brand's relevance. The event might include anything from mobile brand tours to festivals, reunions, marathons, concerts, or other sponsored gatherings. Event Marketing also refers to the marketing of sporting, cultural, and charitable activities to selected target markets and includes sponsorship of such events by firms seeking to increase public awareness and bolster their images by linking themselves and their products to the events.

Cause Marketing. [online]. 2011. [cit. 1.5.2011]. Available from Internet: http://www.nonprofitexpert.com/cause.htm/.

Organization Marketing

McDaniel (2008: p. 346) Organization marketing is the effort by nonprofit organizations to bring about mutually satisfying exchanges with target markets. It attempts to influence others to accept the goals of, receive the services of, or contribute in some way to an organization. Organization marketing includes mutual-benefitorganizations (conservation groups, labour unions, and political parties), service and cultural organizations (colleges and universities, hospitals, and museums), and government organizations. This type of marketing identifies the customers they wish to serve or attract, explicitly or implicitly specifies objectives and communicates an availability through brochures, signs, public service announcements or advertisements.

1.5 Cause-Related Marketing

Hill and O'Sullivan (2004: p. 6) said that cause-related marketing schemes are also becoming more popular. These involve companies linking their promotional campaigns and marketing activities with good causes as charities for the mutual benefit of both parties.

For comparison, Kerrigan et al. (2004: p. 156) claimed that CRM is generally defined as joining a non-profit and commercial organisation in order to raise funds and awareness for a cause while building sales, awareness and corporate image. The customer can purchase at their discretion and they may, by their continued use of a product, donate on more then one occasion.

Miller and Woodward (2011: p. 74) characterized cause-related marketing as a type of marketing involving the cooperative efforts of a "for profit" business and a non-profit organization for mutual benefit. The term is sometimes used more broadly and generally to refer to any type of marketing effort for social and other charitable causes, including inhouse marketing efforts by non-profit organizations. Cause marketing differs from corporate giving (philanthropy) as the latter generally involves a specific donation that is tax deductible, while cause marketing is a marketing relationship generally not based on a donation.

Matei and Dinu (2010: p. 447) highlighted the practice of advocating corporate social responsibility in marketing communications activities is commonly known as CRM. Cause-related marketing is defined as the process of formulating and implementing marketing activities that are characterised by contributing a specific amount to a designated non-profit effort that, in turn, causes customers to engage

1.5.1 How CRM works

Daw (2006: 108) said that once confirmed as a partner, a company will advertise and promote the event and encourage participation. They are committed to advancing the goals of the nonprofit partner and ensuring success. Often companies will provide a range of additional support services, including registration information at their retail locations, in-kind product donations, and a connection to their customer and empoloyee base. A legal agreement is recommended. Most events actively engage company employees as volunteers. Usually a donation is made by the company, but the real value comes form the promotion, awareness raising, and additional resources that their involvement provides. In exchange, the non-profit usually provides a range of benefits, including on-site promotion, product distribution, and extensive publicity coverage.

1.5.2 Benefits

Daw (2006: 108) also listed benefits of CRM. Cause-marketing relationships provide a whole host of promotional and other resources that a non-profit could never afford to purchase or secure without the corporate partner. Revenue generated by the event has the chance to be higher with corporate cause partner's involvement. Cause promotional events can be local, regional, or national and can support any type of non-profit cause. These relationships allow for active involvement by employees and other company stakeholders.

1.5.3 Challenges

Later on, Daw (2006: 108) dealt with challenges of cause marketing. National organized events with local execution can be a challenge. They require local group or chapter buy-in and local delivery on recognition commitments. Not all local chapters will receive the same benefits, as some companies will not have local offices that can work with each individual chapter affiliate. The program must provide appropriate recognition

while ensuring that the non-profit organization name and message doesn't get lost. One of the biggest challenges in most cause-marketing arrangements, especially events, is pricing.

1.5.4 TYPES OF CRM

- ❖ *Sponsorships:* The oldest form of Cause Marketing is most likely direct sponsorships. A company/ business simply chooses to donate large sums of money in a public way and helps fund a particular program or event.
- ❖ Sales Incentives: The most common method of marketing is the use of a sales incentive. A customer purchases something from company and company gives a percentage to the charity.
- **Licensing:** Paying a charity for use of their logo on own company's products or services.
- ❖ *Direct Marketing:* A combined marketing approach where the charity and the company work together to promote both of their brand awareness.
- ❖ *Facilitated Giving:* Method where a business facilitates customer donations to the charity and is commonly seen at retail outlets and fast food restaurants with the "Give a Dollar" paper balloons.
- ❖ *Ownership:* Method where a company pledges to contribute a percentage or set amount of a product's price to a charitable cause or organizations and is generally reserved for larger corporations. ¹³

1.5.5 Sponsorship

Bednar (2005: p. 6) characterized sponsorship as just one of many marketing tools available to the marketer in order of promote and sell a product or service. It has a unique application in its ability to bring the product/service in contact with customers.

Masterman (2007: p.11) added Bednar, that sponsorship has developed into a sophisticated communications tool from humble beginnings and its growth began natively. It represents an opportunity for advertising and a way of achieving a number of marketing and corporate communication objectives. Sponsorship is used to drive sales as well as develop favourable brand associations and awareness of corporate image and

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¹³ GERENSCER, S. 2010. *Cause Marketing 101*. [online]. 2011. [cit. 28.4.2011]. Available from Internet: http://www.huomah.com/Internet-Marketing/Advertising/Cause-Marketing-101.html/.

organizational internal relations. Advertisers initially saw value in sponsorship rights that included potential media exposure and at a cost that was less then advertising rates.

1.5.6 Segments of sponsorship

- **Sports**, includes celebrities, teams, naming rights, events
- **Entertainment**, includes: concerts, tours, plays, movies
- Arts, includes: museum shows, exhibits, theatrical works and normally classical musical series
- ❖ *Non-for-profits*, includes: special interests, disease associations, foundations and charities¹⁴

According to Percy (2008: p. 130), sponsorships play an important role in International Marketing, and involve a company or brand providing support for an event, organization, cause, or even a particular individual. The company has the right to display its brand name or logo, linked to the sponsored activity or individual, and to use the sponsorship in their other marketing activities. The sponsored activity or individual must be viewed positively by the brand's target activity or individual must be viewed positively by the brand's target audience. Otherwise, it makes no sense.

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¹⁴ BEDNAR, R. 2005. *Sponsorship's Holy Grail*. Lincoln: iUniverse, 2005. p. 11, ISBN 987-0-595-34812-1.

2 Objectives

Marketing personal of majority of world corporations continuously use traditional forms of marketing, approved approaches and rules. Present lifestyle, long lasting world problems and rapid development of international cooperation caused expansion of competition in marketing area in terms of new forms of promotions and communication tools. It is the main reason, why companies increasingly analogous to IKEA, use combinations of traditional and non-traditional forms of marketing.

Submitted bachelor thesis presents compendium about current status of theoretical background in communication tools area and its utilization in cause – related marketing. The aim of this work was to highlight the role of cause marketing, as a subcategory of non – traditional type of marketing, in communication with customer and its application in mutual cooperation of IKEA company and world organization UNICEF. The work points out the influence of cause marketing on customers and efficiency of CRM in promotional process, above all for IKEA company.

The work should give details about application of cause related marketing in cooperation with for-profit and non-for-profit organizations to support good cause. The partial objective is to analyse supporting programs on the basis of available information along with suggestions and recommendations for improving marketing activity of IKEA.

For achievement of mentioned objectives, it was necessary to realize the market survey, aimed at IKEA customers. The aim of this research was to find out if the customers are familiar with cause – related marketing as non-traditional form of marketing activities, what it their opinion about sponsorship for good cause and reputation of company.

The final part of work consists of overall evaluation acquired findings, obtained form marketing research as well as suggestions and recommendations for solving possible barriers and problems in marketing activity of IKEA and its social cooperation with world organization UNICEF.

3 Data and Methodology

The time horizon of the research falls within the years 2010 – 2011. Submitted bachelor work – "Cause–Related Marketing and its application with UNICEF" was prepared from freely available information sources i.e. domestic and foreign literary work, information freely available at the internet and newspaper, various leaflets and promotional materials about the companies etc.

The objects of the investigation are companies UNICEF and IKEA. First of them – United Nations Children's Fund (UNICEF), is the world's leading organisation focusing on children, child rights and emergency help, with a presence in more than 190 countries and territories all over the world. On the other hand, IKEA is the world's largest furniture retailer that specializes in stylish but inexpensive Scandinavian designed furniture.

The matter of the work was to analyse Cause-Related Marketing in the company IKEA and the cooperation with the United Nations Children's Fund.

The submitted bachelor work was written by following methodological procedure, which divides the work into 3 parts:

1) The theoretical part

a) Study of literature associated with information gaining in the field of marketing, especially in the field of Cause-Related Marketing

2) The empirical part:

- a) Selection of the investigated objects
- b) Gathering the information about companies from internal as well as external business environment
- c) Marketing research
- d) Processing and data evaluation of the marketing research, interpretation of the results

3) Suggestions and recommendations

a) Suggestions and recommendations of the marketing improvement

The theoretical part of the work deals with literature study that is focused on marketing comprehension. The main issue of this part is characteristics of the marketing followed by domestic vs. international marketing's comparison, characterization of the marketing process, marketing and communication mix, traditional and non-traditional marketing like cause-related marketing and finally marketing philosophy and strategy.

The empirical part is aimed at characterization of the companies UNICEF and IKEA. The characterization of the companies is followed by their history, specialization as well as the application of CRM in cooperation of IKEA with UNICEF.

A part of this project is the marketing research that is centred on customer's perception regarding Cause-Related Marketing. The research findings were based on a survey of 103 respondents and consist of 3 classificatory questions and 12 main - closed questions.

Processing and data evaluation of the marketing research had 3 steps:

- ❖ Data validation,
- Elimination of the incomplete questionnaires,
- ❖ Arrangement of the questionnaires according to class mark i.e. classificatory question.

The results of the marketing research are expressed in percents and consequently illustrated by charts that are word-interpreted.

The conclusion contains suggestions and recommendations of the marketing improvement in IKEA in terms of incorporation of social cause marketing into a marketing process.

During data gathering and processing were used following methods:

- 1) Information and feedback obtained by the marketing research, realized by questionnaire,
- 2) results analysed from gathered information,
- 3) induction,
- 4) deduction,
- 5) synthesis of the results, suggestions and recommendations.

4 Results and discussion

4.1 Characteristics of IKEA

IKEA is the world's largest furniture retailer that specializes in stylish but inexpensive Scandinavian designed furniture. Its success is attributed to its vast experience in the furniture retail market, its product differentiation and cost leadership. The company's furniture was sold in kits to be assembled by its customers at home. Ingvar Kamprad – IKEA's founder had built an international furniture chain of 226 stores in Europe, Africa, Asia and the US.

4.1.1 History

In 1943 by the age 17, Ingvar Kamprad had formed his own company and named it IKEA, an acronym made up of his own initials, the name of his family's farm (Elmtaryd), and the village where he grew up – Swedish village of Agunnaryd. He decided to concentrate on inexpensive but stylish home furnishings.

In 1947, IKEA issued its first primitive mail-order catalogue. In 1952, the stability of home furnishings in the IKEA product line was solidified when customers were impressed by the high-quality, low-priced furniture items in his line. However in 1953 Kamprad bought a small furniture factory and opened a small furniture and home-furnishing showroom in Älmhult. Then, IKEA began designing its own furniture items in 1955. The first IKEA store opened outside Sweden, near Oslo in Norway was in 1963. At the time of IKEA's founding in 1943, Kamprad could not have guessed that his company would become one of the most popular and iconic brands in the world. He recognized that customers were willing to trade off typical amenities to save money. Today, the no-frills frugality is the cornerstone of the IKEA cachet and the reason for its immense popularity.

4.1.2 Specialization

The Swedish company – IKEA sells furniture, household goods, and kitchen accessories in warehouse showrooms and through catalogues around the world, including China and Russia. This high-volume, low-overhead operations stress fewer personnel and services. Lower costs are possible because some marketing functions have been shifted to

customers, who must transport, finance, and perhaps store larger quantities of products. Most consumers carry away purchases in the manufacturer's carton, although stores will deliver for a fee. IKEA is owned by the IKEA Group, which includes IKEA of Sweden (which designs and develops all IKEA products), Swedwood (which makes all IKEA furniture), the sales companies that operate IKEA stores, and all purchasing and supply chain functions.

4.1.3 Marketing in IKEA

In addition to the catalogue, IKEA also uses television, radio, and Internet-based communication to reach its target customers. The company's advertising is intended to increase both brand awareness and store traffic. Some of the company's advertising is controversial, especially ads that portray gay customers shopping for IKEA products. Advertising, however, is not a major focus of IKEA's promotional efforts. The company prefers to rely on word-of-mouth communication. IKEA does use promotional stunts and games to attract customers into its stores.

For illustration, Ferrell and Hartline (2008: p. 516) said that IKEA's marketing program is designed to be thrifty but still effective. In fact, all of IKEA's operations are designed to maintain a downward pressure on operating expenses. For example, in most stores, IKEA does not accept checks – only cash or credit cards. This reduces IKEA's accounts receivable and minimizes losses.

Strengths

- Low-Cost Structure: IKEA's low-cost structure has been the very essence of its success. Being that low-cost measures are ingrained into IKEA's corporate DNA, the company does not have a hard time tailoring its operations around this business model. This model also pairs nicely with customers who appreciate IKEA's operating style.
- Anti-bureaucracy: IKEA treats all of its employees the same. The company's antibureaucracy weeks help maintains a strong corporate culture and its low-cost business model.
- o *Do-It-Yourself Approach:* IKEA can maintain its low-cost business model by creating a different furniture-shopping experience, IKEA supplies customers with

all possible materials needed to complete their furniture shopping when they enter the store. The floor has showrooms displaying IKEA furniture with multiple accessories that will accentuate the style. With this approach, customers do not have to be bothered with salespeople who work on commission. Customers can pick and choose among the different options of accessories that they would like to use with furniture.

Weaknesses

- O Do-It-Yourself Approach: Some customers may not appreciate the do-it-yourself approach, IKEA targets young, cost -conscious customers who want stylish furniture. High salary-earning individuals may not want to indulge in shopping and picking out their furniture from a warehouse like environment. Some individuals may actually enjoy having a conversation with a salesperson and getting individual ideas and input from an employee. These same customers may not have the time to wrestle with assembly of their furniture once they get it home. Customers who feel that this is an unnecessary step may continue to buy furniture form traditional retailers.
- O Service Trade-offs: IKEA's business model trades service for cost. This trade-off may not be appealing to some customers who are accustomed to traditional furniture shopping and may feel that IKEA does not care about its customers and what they buy. With IKEA operating as numerous franchises, this lack of customer service may begin to taint the IKEA brand. This trade-off could present a future brand-loyalty problem for IKEA.
- Limited Promotional Expenditures: IKEA does not spend an enormous amount of money on promotion. Instead, the company depends on word of mouth and catalogs to generate a buzz among customers. Most of IKEA's television commercials are unknown outside of the United Kingdom. Further, many of the company's ads are controversial. As a result, IKEA may be missing out on a larger potential customer base.

4.2. Characteristics of UNICEF

United Nations Children's Fund (UNICEF), is the world's leading organisation focusing on children, child rights and emergency help, with a presence in more than 190 countries and territories all over the world and for many years cooperates with local communities, partners, governments and non-governmental organizations to overcome barriers that poverty, violence, disease and discrimination place in child path's and to ensure every child's rights to survive and thrive are upheld.

4.2.1 History

UNICEF was established in 1946 in New York. After World War II., 1945, 51 nations got together and wanted to keep peace in the world. It was the reason why they started the United Nations. In 1946, the General Assembly of the United Nations votes to establish the UNICEF as an organization to provide help and support to children living in countries devastated by the war. After the introduction of the Convention on the Rights of the Child to the U.N. General Assembly in 1989, it became the most widely ratified human rights treaty in history, and UNICEF played a key role in ensuring its enforcement.

4.2.2 Mission

The world's leading advocate for children was created to ensure the basis of need without discrimination because of race, creed, nationality, status, or political belief and provide aid to children everywhere without regard to politics. UNICEF has the global authority to influence and cooperate with decision-makers, and the variety of partners with the purpose to:

- ❖ Eradicate extreme hunger and poverty reduce by half the proportions of people living on less than a dollar a day and people who suffer from hunger.
- ❖ Achieve universal primary education Ensure that all boys and girls complete a full course of primary schooling.
- ❖ Promote gender equality and empower women Eliminate gender disparity in primary and secondary education preferable by 2005, and at all levels by 2015.
- **Reduce child mortality** Reduce the mortality rate among children under five.
- ❖ Improve maternal health Reduce by three quarters the maternal mortality ratio.
- ❖ Combat HIV/AIDS, malaria and other diseases Halt and begin to reverse the spread of HIV/AIDS and the incidence of malaria and other major diseases

- ❖ Ensure environmental stability Reduce the proportion of people without sustainable access to safe drinking water and integrate the principles of sustainable development into country policies and programmes, reverse loss of environmental resources.
- ❖ Develop a global partnership for development Develop further an open trading and financial system that includes a commitment to good governance, development and poverty reduction nationally and internationally.

4.2.3 UNICEF in Slovakia

The Slovak Committee for UNICEF was established in 1993, has successfully developed the Baby Friendly Hospital Initiative in Slovakia and has played a significant role in raising public awareness of child rights, including specifically the Convention on the Rights of the Child.

UNICEF campaigns in Slovakia have also raised public awareness, including: 'A Drop of Water,' aimed at providing aid to Ethiopia, and 'A Pencil,' aimed at supporting girls' education programmes in Sudan. All of the social activities organized by the Slovak Committee for UNICEF are carried out also in cooperation with national celebrities as Kamila Magálová, a popular actress and member of the SNT (SND); Peter Dvorský, an internationally-famous opera singer; pop star and composer Vašo Patejdl; and Stanislav Štepka, a playwright, actor and theatre director. Through their high-profile work and charity performances, these artists have helped to raise public awareness about UNICEF and child rights.

The mission of the Slovak Committee for UNICEF:

• Fundraising for children's fund UNICEF: to raise funds (voluntary donations) for UNICEF – to help children in developing countries. Willing donors may contribute through public collections, as club members donor friends of children, purchase cards and gifts UNICEF, organizing events in support of UNICEF, collaboration with corporate partners and through grants and support volunteers.

- Promotion of children's rights: to note the force of the Convention on the Rights of the Child and the need to create tools for its application in practice. A goal is to make policy against children was a single, coordinated and implemented with an understanding of children, in their interest and for their participation.
- O Programs to improve the quality of life of children in Slovakia: Children's Safety Line it was established a free helpline for all children in Slovakia (non-stop and anonymously). Friendly Hospital Initiative to children is for hospitals and maternity homes which educating about the importance of breastfeeding. School programs in collaboration with kindergartens, primary and secondary schools.

4.2.4 Marketing in UNICEF and partnership

The private sector, which includes individuals, foundations, businesses and organizations, is an important partner, raising funds, increasing awareness about crucial issues such as AIDS and child labour and securing concrete improvements in children's lives. Income from private sector accounts for one third of UNICEF's resources and is raised largely through the work of National Committees for UNICEF.

UNICEF enjoys a strong relationship with the corporate community, which has often provided not just financial resources but also technical assistance and communications support. Many corporations have the capacity and willingness to mobilize their employees and the public around specific issues. Each year, in cooperation with National Committees for UNICEF, they strengthen their ties with corporations and businesses throughout the world, which provide major support for our work through fundraising campaigns, in-kind donations, product licensing agreements and social or **cause-related marketing**.

4.2.4.1 Cause-related marketing

The mission, values, and alignment match is critical to every cause-marketing arrangement UNICEF does. UNICEF is very careful with its brand and credibility, and the international organization has established guidelines for their national committee that

outline how they will work with the corporate sector. They also use an independent thirdparty consulting firm to help screen companies.

Signature cause-related marketing programmes allow a company to offer consumers the opportunity to support UNICEF with their product purchases. Linking a company's sales campaign directly to UNICEF is an effective way for a brand or product to engage consumers, boost sales and enhance its corporate image. When UNICEF is the beneficiary of a cause-related marketing activity, it receives either a percentage of the retail price or a fixed amount negotiated with the company.

An overarching principle for any cause-marketing relationship is that it has to be tied to the organization's mission. When done right, the programs can get information out to new audiences. When UNICEF can tie a corporate promotion to its mission and advocacy it's an opportunity to touch people they wouldn't normally be able to reach to make them aware of its work and key issues. It also allows companies, consumers, shareholders feel real connection is committed to making the relationship beneficial for the businesses, and they work closely with every partner to assist with leveraging all programs.

! International Top partners:

O Amway Europe, FC Barcelona, Gucci, H&M, ING IZA, Montblanc, Pampers, Veolia Environment Foundation, Veolia Environment Foundation, Pampers, *IKEA*

Slovak Top Partners:

O Azet.sk, Budiš, DHL, Fond TESCO, Microsoft, Orange, Pampers, Polus City Center, Nay Elektrodom, Oriflame, *IKEA*

4.3 The application of CRM in cooperation of IKEA with UNICEF

Any issue can be part of a cause-marketing issue promotion with the right fit between corporate partner and non-profit representing the cause. According to Tom Watson, Publisher of on Philanthropy, cause marketing campaigns spend over one billion dollars each year, and each year this figure is on the increase. Companies are all seeking to identify with their consumers and establish some point of difference. Studies have shown that if consumers think a company is associated with a "good cause" or if the company is "socially responsible" this may reason enough for the consumer to choose one brand over the other assuming the products in question are comparable in both price and quality.

UNICEF helps children around the world through their health, education, equality, and protection programs, they aim to support the advancement of humanity also with the support of IKEA company.

4.3.1 Initial Alliance

In 1994, a TV documentary, "Mattan", about the carpet production in Pakistan, named IKEA as one of many Western companies that buy carpets form the production facilities with "brutal production structure based on the debt slavery and child labour." The IKEA management responded quickly with the statement that they did not know how the rugs were produced, and they asked organizations like UNICEF and Save the Children Sweden to help the company gain better knowledge and understanding about human rights issues.

UNICEF agreed to work with IKEA to help address the child labour issue. This was the beginning of a relationship that would expand and extend into a log-term commitment to UNICEF. IKEA donated the UNICEF project to provide education for 5000 local children and also developed a document called "The IKEA Way of Purchasing Home Furnishing Products" to explain that all IKEA's suppliers have to take care about issues such as working conditions, child labour, environment, and forest.

4.3.2 Ikea Social Initiative

The IKEA Social Initiative, established in 2005, manages IKEA's social involvement on a global level. The mission is to improve the rights and life opportunities of the many children. The main partners are the two leading global child right organizations; UNICEF and Save the Children. IKEA Social Initiative invests in a range of programs with a holistic approach, aiming to create substantial and lasting results.

4.3.3 Campaigns

4.3.3.1 "The Right to Play" Promotion

Raising awareness about the right to play combined with a product sale is a multilayered cause-marketing issue promotion initiative. A major initiative for the international organization is giving every child the right to playtime in a safe environment. To play is not a bonus for children but a fundamental right, enshrined in the 1989 Conventional on the Rights of the Child that states, "Every child has the right to play time

in a safe environment." (**Appendix 1**) IKEA supports UNICEF in the belief that every child has the right to playtime, something that millions of children around the world are deprived of because of war, disease, and exploitation, including childhood labour. The relationship began with IKEA working with UNICEF to improve child protection and education, then developed into sales of the UNICEF greeting cards and finally merged with a cause-marketing piece. Many cause-marketing initiatives are built out of long-term relationships.

Results:

Specialists reported an increase in attendance by **15 to 20 per cent** as a result of Right To Play's programming in schools. Students in Sierra Leone said they were able to transfer knowledge they gained to friends, parents and other community members. It also helped children become less aggressive and helped them differentiate between "good" and "bad". Approximately **70 per cent** of Leaders in Makeni, Sierra Leone and 90 per cent of Leaders in Freetown, Sierra Leone said that participating in Right To Play programming provided children with something positive in which to engage.

4.3.3.2 "SUNNAN" Promotion

Millions of children can't draw, write or read after sunset, limiting their horizons and possibly their futures. Especially girls are often required to help out with household chores after school, and their only chance of doing their homework may be at night. IKEA has made an especially sturdy "SUNNAN" lamp as it is shown in **Appendix 1**, for the developing world, designed to resist the wear and tear of difficult living situations, including a battery capable of withstanding high temperatures and they have presented the public with an opportunity to help UNICEF give children in the developing world a brighter future, including those caught in crises. As Marianne Barner, head of IKEA Social Initiative said: "We hope our lamps are a small but important contribution to improving the lives of children in developing countries." This unit enabled children to play, read, write and study at night, even if their homes have no electricity. SUNNAN can make a huge difference to them. If they can keep up with the homework, their school attendance will likely increase and their achievements improve. The Sunnan Lamp is one in a long-line of thoughtful projects that IKEA has taken on in support of UNICEF's work to save and improve the lives of children worldwide.

Priced at only \$19.99 (14.07€), SUNNAN comes in five bright colors and is available in an IKEA store near you. SUNNAN work lamp combines low-energy LED

technology with solar panels. Just charge the panel for 9-12 hours in the sun and get four hours of full light.

Results:

So far, around 500,000 lamps have been sold and it does more then **7 million** € for project realization.

4.3.3.3 "SOFT" Promotion

Educating children is certainly a top priority. It is integral to children's future and the future of the world. Yet everyday, millions of children around the world don't even have access to a quality education.

"Every holiday season, the IKEA soft toy campaign shines a light on the work that is being done to give all children in the developing world the opportunity to learn," said Charlie MacCormack, Save the Children President and CEO. The IKEA soft toy campaign is driven by the IKEA Social Initiative program.

Every year's soft toy campaign has an added benefit. In celebration of the anniversary of the Convention of the Rights of the Child, from December 18th to the 24th, one euro donations also come from the sale of children's IKEA products and 'soft toy kids meal

Results:

For every soft toy sold, 1€ (approximately \$1.35) goes to IKEA global partners UNICEF to extend and start new children's educational programs. Since the start in 2003, the IKEA soft toy program has helped fund children's educational projects in 40 countries in Central and Eastern Europe, Asia and Africa. To date, the soft toy program has impacted the lives of over 8 million disadvantaged children. Every year, this campaign raises about 10 million € (\$13 million) from the sale of soft toys (Appendix 1), Children's IKEA products and the special kids' meal while also raising awareness of the importance of education.

4.3.3.4 The other most influential Cause Marketing Campaigns

O The Members Project (2007 to 2008) – American Express pioneered the use of social media and buttressed brand appreciation with this effort. Over two years it gave away \$4.5 million (3.5 million €) to winners including top winners the Alzheimer's Association and US Fund for UNICEF.

- Yoplait Save Lids to Save Lives (1999 to present) America's best-known breast cancer campaign through which Yoplait company donates funds and educates women and men of all ages about early detection and risk reduction. The fact that consumers save and mail in millions of sticky lids to raise 10 cents to support this campaign. To date it has raised over \$26 million.
- O Dove Campaign for Real Beauty (2004 to present) Unilever didn't adopt a cause, it created one with breakthrough creative that sparked an international discussion of beauty stereotypes. It developed the Dove Self Esteem Fund and hopes to reach 5 million young women with information on positive body image by the end of 2010.
- O 1000 Playgrounds in 1000 Days (2005 to 2008) The Home Depot and KaBOOM! took employee volunteerism to build great places to play within walking distance of kids.
- O Live Strong Bracelet (2004 to present) A group of Nike and Lance Armstrong Foundation came up with the idea to raise funds and awareness for the supercyclist's cancer charity. To date, more than 70 million of the glorified yellow rubber band have been sold for \$1 (0.70€) each.
- American Express Statue of Liberty Restoration (1983): American Express offered to contribute 1 cent for each card transaction and \$1.00 (0.70€) for each new card issued and backed the offer with a substantial media campaign. The effort raised \$1.7 million (1.2 million €) to restore the statue and Ellis Island, moved the needle for Amex's business and gave birth to the field of cause marketing.

5 Market Research

This study is an attempt to understand consumers' perceptions regarding Cause Related Marketing (CRM). The research findings were based on a survey of 103 respondents. The research aim was focused on the consumers' perception of the alliance between corporations (for-profit organizations) and non-profit organisations.

The research found that consumers have a better perception of firms that work with charities and good causes than those that do not. They believe that the partnership between corporations and charities has an impact on the good of society. However, they are aware that some corporations themselves benefit from this partnership. Concerning good causes, consumers prefer to support those related to Children. I have noticed that an individual connection with a cause might have considerable influence on consumer attitudes and behaviour in relation to a specific cause.

From the very first figure - **Figure 6** it is evident that the prevalence of **female** (52.43%) participated on research, it means there is also a prevalence of so called emotive answers.

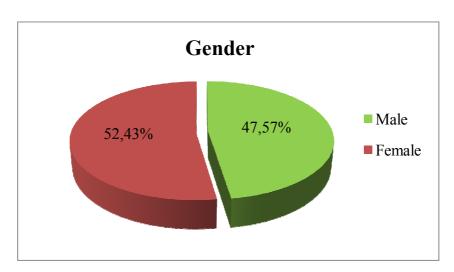


Figure 6
Portion of respondents interviewed by gender
Source: own marketing research, own creation

The second figure (**Figure 7**) shows details about age range of respondents. The mail part of research was created by younger respondents - **19 to 26 years** old with more then 67%.

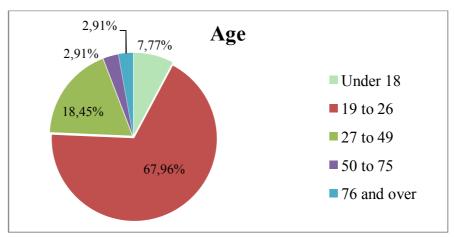


Figure 7
Portion of respondents interviewed by age
Source: own marketing research, own creation

Occupation is also very important criterion for this study. It can highly influence the results as the unempoloyed and students do not have as high income as empolyed respondents therefore they usually can not effort to support donation. As it is describted in following **Figure 8**, **students** with 58.25% participated the most.

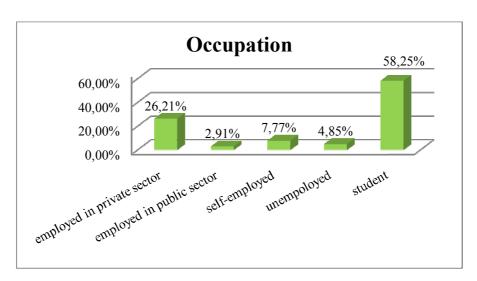


Figure 8
Portion of respondents interviewed by occupation
Source: own marketing research, own creation

As decision whether cooperate or not is the main and very important question for non-profit organizations, I asked for opinions: "What do You think about charities and good causes working together with a for-profit corporation?" in the very first question (Figure 9). A large proportion of the respondents in this survey think that it is a very good idea (63.11%) or a good idea (29.13%) for a charity or good cause to work with

corporations. Just 4.85% said it is a **poor idea** and few respondents (2.91%) thought it a **very poor idea**.

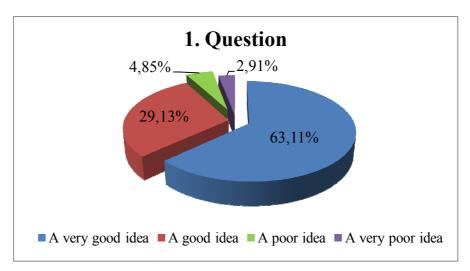


Figure 9
The opinion of respondents on cooperation of profit and non-profit organizations
Source: own marketing research, own creation

Moreover, the percentage of younger consumers who share this opinion is more accentuated in comparison with the older age group (**Figure 10**). While 4 respondents of the younger group consider the partnership is either a **poor idea** or a **very poor** idea, 2 out of 3 of the group between 50 and 75 years of age share the same perception.

Figure 10: The opinion of respondents on cooperation of profit and non-profit organizations

| Count | 1. What do You think about charities and good causes working together with a for-profit corporation? | | | | | |
|------------------|--|----------|----------|-------------|----------|-------|
| | 19 to 26 | 27 to 49 | 50 to 75 | 76 and over | Under 18 | Total |
| A good idea | 10 | 11 | 1 | 1 | 7 | 30 |
| A very good idea | 56 | 7 | | 1 | 1 | 65 |
| A poor idea | 3 | | 1 | 1 | | 5 |
| A very poor idea | 1 | 1 | 1 | | | 3 |
| Total | 70 | 19 | 3 | 3 | 8 | 103 |

Source: own marketing research, own creation

Question no. 2: "How often do you come across cause-related marketing promotions in the past month?" As we can see in the following figure (Figure 11), cause marketing is not so occurred and respondents do not come across this type of marketing very often, only from time to time/sometimes they do (44.66%). I would say that this

answer results from the fact that people are not so familiar with cause related marketing or at least do not realise which type of marketing is going on.

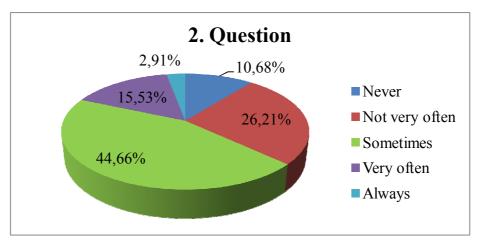


Figure 11
The occurrence of CRM in the promotions

Source: own marketing research, own creation

Question no. 3: "The Ad makes me to have a favourable impression of partner company". The Ad makes 41.75% of quizzes to have a favourable impression of partner company (**Figure 12**), but 44.66% out of 103 respondents answered that they are not sure about this question.

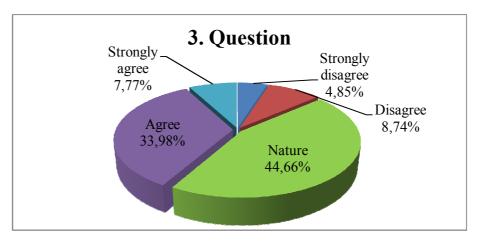


Figure 12
The worth of advertisement - impression
Source: own marketing research, own creation

Question no. 4: "The Ad makes me more or less willing to patronize the participating companies." and only 38.83% of respondents answered that the advertisement makes them more or less willing to patronize the participating companies with the same portion (**Figure 13**).

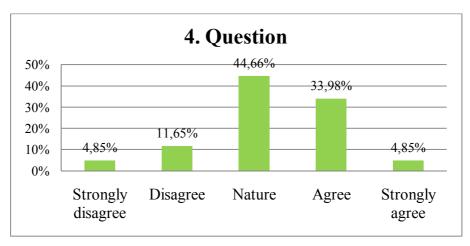


Figure 13
The worth of advertisement – willingness to patronize

Source: own marketing research, own creation

Question no. 5: "I think the caused-related marketing promotion is a good way to raise money for the disease/poverty prevention organization." The respondents in the present research survey believed that Cause Related Marketing activities are beneficial to the non-profit organisation. This was based on evidence that almost 68% of the respondents (**Figure 14**) understand that a partnership between for-profit and non-profit organisations is good for the nonprofits. Only a minority of the consumers who took part in this survey did not believe that Cause Related Marketing is beneficial to the non-profit organisation.

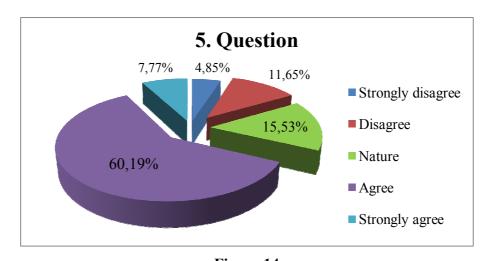


Figure 14
The worth of CRM
Source: own marketing research, own creation

Question no. 6: "I believe that the directors of the disease prevention organization are acting responsibly by using this cause-related marketing promotion to raise funds to

pursue its mission". Just 26.21% of respondents believes that the directors and managers of the disease prevention organization, as UNICEF is, are acting responsibly by using this cause-related marketing promotion to raise funds to pursue its mission. Majority of respondents (44.66%) are not sure about their answer – **Figure 15**.

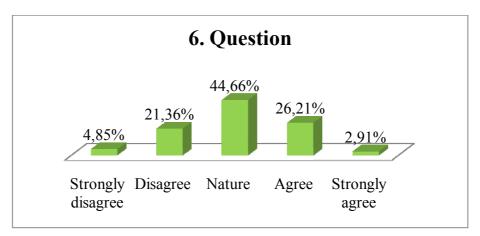


Figure 15
The belief in directors of non-profit organizations
Source: own marketing research, own creation

The seventh question: "I think much of the money donated through caused-related marketing promotion to the disease prevention organization is wasted and does not go for good causes" deals with misappropriate of money donated through caused-related marketing promotion to the disease prevention organization and the result is not so clear. 60.20% of respondents interviewed (**Figure 16**) agree or strongly agree with the statement that the money really goes for good case and is not wasted. But there are still some people who do not agree (18.45%), is not sure (10.68%) or strongly disagree (10.68%).

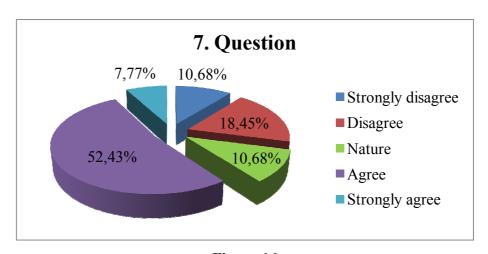


Figure 16
The belief in credibility of campaigns
Source: own marketing research, own creation

From the question number eight: "I think IKEA is acting in a socially responsible manner." (**Figure 17**), it is evident that IKEA is known as a right partner for UNICEF and more then half of the responders think IKEA is acting in socially responsible manner.

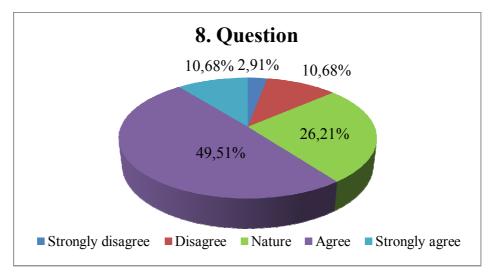


Figure 17
The reputation of IKEA
Source: own marketing research, own creation

Question no. 9: "I will say positive things about IKEA company to others and consider products of this company as my first choice when I buy home furniture." Interestingly, 63.11% (Figure 18) of the respondents would buy products/service linked with charities and good cause primarily to help the charities connected with IKEA and almost the same portion of respondents interviewed on question no. 10: "I will purchase products of this company more in the future." will do that in the future in order to help charities (Figure 19).

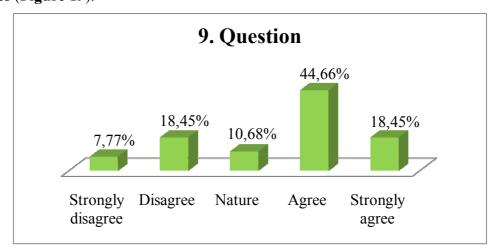


Figure 18
The positive reputation of IKEA and future cooperation
Source: own marketing research, own creation

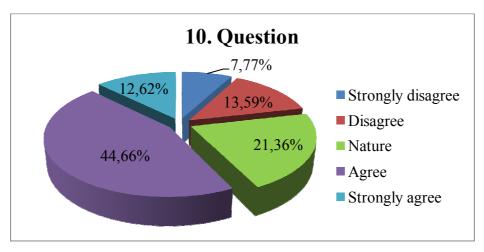


Figure 19
The success of IKEA products supporting charities
Source: own marketing research, own creation

In the **Figure 20**, question no. 11: "I am willing to pay for the products of IKEA company even if I notice the price is a bit higher, compared to other company with furniture." we can see that customers are willing to pay for IKEA products and services even price is bit higher compared to other companies. More then half of respondents would do that.

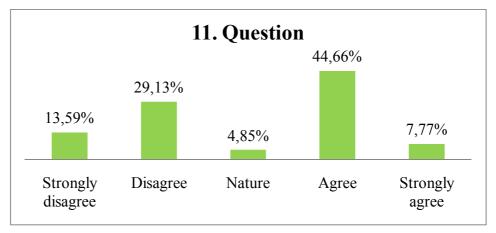


Figure 20
The willingness to pay for even bit higher prices
Source: own marketing research, own creation

Question no. 12: "Which of these causes would You like to support most?." The good causes respondents most want to support are **children**, indicated by the same 26.21% as **health research**, followed by **human rights** (23.30%). However, I observed that the choice of the cause tended to have a particular motivation. For instance, if somebody has or had a cancer, he feels better about this kind of charity. Based on these findings, the

understanding is that respondents consider it a good idea for non-profit organisations to work with corporations. They think this primarily because they agree that it is a good way for charities and good causes to receive financial assistance from corporations. Regarding the cause respondents most wanted to support, the majority chose children. The results are displayed in **Figure 21**.

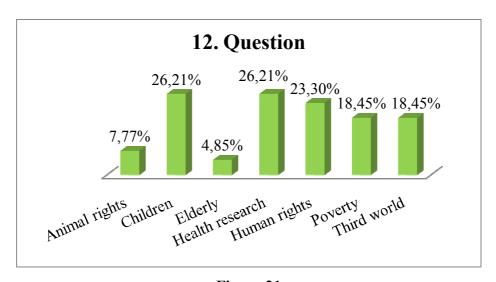


Figure 21
The scale of most effective causes
Source: own marketing research, own creation

6 Recommendations

After evaluating the research questions, it can be concluded that the majority of consumers are aware of CRM programmes and perceive them as beneficial to non-profit organisations. More importantly, 54% of them would buy products/services of IKEA linked with charities and good causes primarily to help the charities. As such, the corporations are gaining not only in reputational terms, but also in profitable terms. The respondents perception is ratified by the corporations that consider CRM activities as capable of enhancing their reputation and brand value, although corporations do not state their financial gain as a CRM outcome.

I would suggest following recommendations based on the main findings of this research:

- ❖ For profit-making organizations I have formulated the idea that corporations should monitor the results obtained by charities and good causes and post these results on their websites to inform consumers as to what percentage of the product price is earmarked for the charity. Transparent CRM programmes achieve more credibility for corporations in the perception of consumers. They should invest in communication campaigns focusing on younger consumers, demonstrating that corporations can be both profitable and ethical, as these are not necessarily diametrically opposed characteristics. In fact, bigger corporations can make larger donations. Corporations should select charities or good causes that are related to their business activities and with which their consumers can work. Higher affinity between business and non-profits will generate better results for both.
- ❖ To non-profit making organizations I would give an advice that they should conduct extensive research on the corporation that it is planning to have as a partner. Preference should be given to corporations with similar objectives, whereas corporations with bad reputations should be avoided. Non-profits should communicate through newsletters or websites to inform donors and clients of the CRM programmes in which they are taking part and what benefits they will receive from the partnership.

7 Conclusion

It is generally recognised that today's marketplace is characterised by a great many products of similar quality, price and service. In their need to differentiate themselves and their product, many companies are turning to the use of cause-related marketing as a communications tool. Basically, the concept entails firms communicating through their advertising, packaging, promotions and so on their corporate social responsibility, namely their affiliation or work with non-profit organisations or support for causes. The point is to attract consumers wanting to make a difference in society through their purchasing.

Studying cause-related marketing on an international level is important, as both the type and extent of the needs expected to be fulfilled from the socially responsible firm will depend upon the social culture and ethics. Having a pro-social agenda means having a powerful marketing tool that can build and shape a company's reputational status, make a differentiation in the market and give a company a competitive edge. Differentiating a company or brand through the image of care and compassion to society is a strategy that can be highly rewarded. For customers it is important that they believe the campaign is trustworthy.

In such a brief study it was not easy to draw ultimate conclusions about the role of cause – related marketing in communication tools of companies according to its cooperation with UNICEF. Nearly half of the world's children live in poverty and more than 2 million children have died as a result of armed conflict in the last decade alone. More than even before, the international support to give children better start in life by means of several promotions develops from day to day.

This project mentions the theory that is connected with the marketing process in the theoretical part. Especially, it defines the cause marketing as a form of non-traditional marketing approach. Furthermore, the basic information about the UNICEF organization and partner's IKEA company is outlined in empirical part of the project. Finally, the third part has been focused on the most widely known campaigns, projects and international programmes to protect especially children's world by above mentioned parties. From this analysis it is clear that IKEA Social Initiative invests in a range of programs with a holistic approach, aiming to create substantial and lasting results.

The first mentioned campaign: "The Right to Play", raising awareness about the right to play as a fundamental right, enshrined in the Conventional on the Rights of the Child, combined with a product sale and it is a typical example of cause-related marketing promotion. As this promotion was also aimed at school attendance, the results showed that specialists reported an increase in attendance by 15 - 20%. It is undoubtedly caused by donation flow to programs and improvement of its technical and financial sources. It also helped children to differentiate between "good" and "bad". The other campaigns were created with similar intention. The following "SUNNAN" promotion highlighted that millions of children can't draw, write or read after sunset, limiting their horizons and possibly their futures. Therefore IKEA has made an especially sturdy "SUNNAN" lamp to resist the wear and tear of difficult living situations. This promotion does more then 7 million € for project realization. The third analysed "SOFT" campaign supported children education because of fact that millions of children around the world don't even have access to a quality education. For every soft toy sold, 1€ goes to IKEA global partners UNICEF to start new children's educational programs and every year, this campaign raises about 10 million €. From campaigns analysing it is evident that lot of companies around the world pay attention to importance of their help.

The market survey helped to unify guesswork about good cause marketing in field of company's promotion. The results are answers of mainly younger respondents/students (63%) what indicate the predictive situation in future. After the summarization, it is clear that even though cause-related marketing is not so well known or cognizable, 67% of quizzes think that a partnership between for-profit and non-profit organisations is good and effective for the nonprofits, would prefer promotions based on cause-related marketing and recommend to companies to go this way that a partnership between for-profit and nonprofit organisations is good for the nonprofits. The advertisement oriented in this manner makes people to have favourable impression and makes them more or less willing to patronize the participating companies. 44% of respondents interviewed agree with the statement that the money really goes for good case and is not wasted. But there are still some people who do not agree (19%) or is not sure (12%). This indicates that there are also some companies that unfortunately misuse the human advertisement for support own marketing approach and increase sales. Specific questions about IKEA were also listed in questionnaire. One of them was if IKEA acts in a socially responsible manner. According to this question, it is evident that IKEA is known as a right partner for UNICEF. Even though 54.46% of the respondents would buy products/service linked with charities and good cause primarily, quite a high portion (31.25%) of them answered that they would not pay for the products of IKEA even if they notice the price is a bit higher, compared to other company with furniture. This fact is very ordinary in case of Slovak Republic. At the end of market survey, all respondents could choose one or more causes which they would support most. 70% of them chose children as a cause for help.

The consumer demand and expectation for corporate to be socially responsible can not be underestimated. Corporations should monitor the results obtained by charities and non-profit organizations and post it on their websites to inform consumers as to what percentage of the product price is earmarked for the charity as well as Non-profits should communicate through newsletters or websites to inform donors and clients of the CRM programmes in which they are taking part and what benefits they will receive from the partnership.

8 Resumé

Keďže svet sa pohybuje smerom k medzinárodnému marketingu, čoraz viac a viac firiem a organizácií po celom svete kladie dôraz na nezávislú globálnu ekonomiku. Táto ekonomika je charakterizovaná rýchlejšou komunikáciou, dopravou a finančnými tokmi, z ktorých všetky vytvárajú nové marketingové príležitosti a výzvy. Spoločnosti preto čelia zdanlivo jednoduchej a jednoznačnej voľbe reagovať na výzvy nového prostredia ako aj problémy celosvetového rozmeru.

Okrem vyššie uvedených problémov, je každá firma donútená vybrať si vlastnú cestu akou sa dostať do popredia prostredníctvom propagácie, kvality poskytovaných služieb, dobrého mena a v neposlednom rade taktiež príležitosťou ovplyvniť rozhodovanie zákazníka tzv. ľudským spôsobnom, využitím sociálnych a emotívnych aspektov marketingu. Spolupráca firiem, vládnych a mimovládnych organizácií so svetovými neziskovými organizáciami sa začala rozvíjať po druhej svetovej vojne, keď bol celý svet v troskách a národy sa snažili udržať mier. Aj napriek tomu, že sociálne a charitatívne zameraná pomoc ľuďom v krajinách tretieho sveta nemá na Slovensku dlhoročnú tradíciu, stále väčšie množstvo partnerov zakladá svoju reklamu práve na príčinnom marketingu, vďaka ktorému môže UNICEF prepísať budúcnosť detí na celom svete.

Hoci nie každý žijúci v modernej spoločnosti je schopný predstaviť si život vo vojnou zdevastovanej krajine bez jedla, vody a iných životne dôležitých vecí, stále viac a viac ľudí sa zaujíma o kampane podporujúce ľudí v chudobe. Uvedomujú si význam a hodnotu života, aj napriek svojej úplne odlišnej životnej situácií. Cítim sa byť jednou z nich a to je hlavným dôvodom, prečo som sa rozhodla zaoberať sa cause/príčinným marketingom.

V rokoch 1970 až 1980, začalo mnoho spoločností uplatňovať cause marketing v stratégiách na dosiahnutie vlastných cieľov, ako zvýšenie predaja, podielu na trhu, presadzovanie sociálnej zodpovednosti a zlepšenie celkového imidžu spoločnosti. V súčasnej dobe existuje množstvo definícií cause marketingu, ale v podstate, je to dohoda medzi podnikateľským subjektom a neziskovou organizáciou zameraná na získavanie finančných prostriedkov pre dobrú vec. Príčinný marketing je v posledných rokov jedným z najrýchlejšie rastúcich segmentov reklamy na trhu a v prípade, že je vykonávaný správne, predstavuje úžitok pre charitu aj podnik.

Podstatou bakalárskej práce je analýza účinnosti príčinného marketingu v rozhodovacom procese na základe rôznych medzinárodných kampaní a projektov v spolupráci s neziskovou organizáciou. Na samotnom začiatku predkladanej práce – v teoretickej časti, je definovaný marketing, jeho úloha v už spomínanom rozhodovacom procese ako aj rozdelenie marketingovej teórie na tradičné a netradičné formy. Neskôr je taktiež spomenutý marketingový a komunikačný mix. Teoretická časť je podrobnejšie zameraná na novú formu marketingu – cause marketing. V ďalšej časti mojej práce, som sa rozhodla predstaviť všeobecné informácie o spoločnosti IKEA, ako príklade medzinárodnej spoločnosti využívajúcej príčinne orientovaný marketing vo svojom komunikačnom mixe a Detský Fond OSN, ako druhý subjekt skúmania, jeho históriu, poslanie, partnerstvo, a v neposlednom rade analýzu marketingového prístupu. Súčasťou rozdelenia praktickej časti sú aj podrobnosti, fakty a súhrn medzinárodných projektov IKEA a UNICEF, ich ciele a výsledky.

Z tejto analýzy je zrejmé, že prostredníctvom sociálnej iniciatívy, spoločnosť IKEA nepochybne investuje do série programov s holistickým prístupom, ktorého cieľom je vytvoriť značné a trvalé výsledky. Prvá spomínaná kampaň: "The Right to Play", poukázala na právo hrať sa ako základné právo zakotvené v Dohode o právach dieťaťa, v kombinácií s predajom produktu a jeho typicky orientovanej reklame súvisiacej s cause marketingom. Vzhľadom k tomu, že propagácia bola tiež zameraná na školskú dochádzku detí, výsledky ukázali, že špecialisti zaznamenali zvýšenie návštevnosti miestnych škôl o 15-20%. Tento výsledok je nepochybne spôsobený neustálym prílevom finančných príspevkov a zlepšenie ich technického a finančného zabezpečenia. V neposlednom rade tento projekt pomohol naučiť deti rozlišovať dobro a zlo. Ďalšie kampane boli vytvorené pod podobným zámerom. Nasledujúca propagácia kampane "SUNNAN" zdôraznila, že milióny detí nemôžu kresliť, písať ani čítať po západe slnka, čo obmedzuje ich obzory, ako aj budúcnosť. Práve preto sa IKEA rozhodla predstaviť na trhu novú "SUNNAN" lampu, aby poukázala na zložitosť životných situácií. Výška finančnej pomoci na realizáciu spomínaného projektu činila viac ako 7 miliónov €. Tretia analyzovaná kampaň s výstižným názvom "SOFT", podporila vzdelávanie detí na základe toho, že milióny detí na celom svete nemajú prístup ku kvalitnému vzdelaniu. Za každú predanú hračku "SOFT" odišlo zo spoločnosti IKEA 1€ práve svetovej organizácií UNICEF na začatie nového projektu, určeného na vzdelávanie detí a každým rokom táto kampaň dosahuje príspevok vo výške približne 10 miliónov €.

Empirická časť sa detailnejšie zaoberá výskumom charitatívnej pomoci v praxi a nakoniec je táto práca obohatená prieskumom trhu založeným na výsledkoch priloženého dotazníka. Prieskum trhu so 103 respondentmi, pomohol zjednotiť dohady o pozitívnom dopade príčinného marketingu v oblasti firemnej propagácie. Výsledky sú odpoveďami najmä vekovo mladších respondentov a študentov (67,96 %), čo predpovedá adekvátnu situáciu aj v budúcnosti. Po spracovaní prieskumu je zrejmé, že aj napriek tomu, že príčinne orientovaný marketing nie je až tak známy alebo dostatočne propagovaný a tým aj ľuďmi rozpoznávaný, takmer všetci opýtaní si myslia, že partnerstvo medzi ziskovými a neziskovými organizáciami je dobré a efektívne pre charitatívne organizácie. Rovnako by dali prednosť zameraniu sa na príčinný marketing a taktiež by spoločnostiam odporučili isť touto cestou. Reklama orientovaná na spomínaný spôsob prezentácie umožňuje pozitívne vnímanie spoločnosti a robí zákazníkov viac menej ochotných zasponzorovať partnerské firmy svojim nákupom. 29,12 % respondentov súhlasí s tvrdením, že vyzbierané peniaze skutočne idú na dobrú vec a nie sú zneužité. No na druhej strane, stále 26,21 % opýtaných nesúhlasí, a neverí tejto politike odovzdávania finančných príspevkov. To naznačuje, že existujú aj nevierohodné firmy, ktoré pravdepodobne zneužívajú ľudsky orientovanú reklamu na podporu vlastnej marketingovej propagácie a zvýšenia predaja. Špecifické otázky týkajúce sa spoločnosti IKEA boli v dotazníku taktiež uvedené. Jednou z nich bola, či IKEA pôsobí ako sociálne zodpovedný partner pre UNICEF. Aj keď by si takmer 63,11 % respondentov výrobok alebo službu spojenú s charitatívnym podtónom kúpilo, pomerne vysoký podiel (26,22 %) z nich odpovedalo, že za výrobky spoločnosti IKEA platiť nebudú v prípade, že bude cena vyššia, v porovnaní s inou spoločnosťou zameranou na predaj nábytku a doplnkov. Tento fakt je veľmi bežný na Slovensku. Na konci prieskumu mali respondenti možnosť vybrať minimálne jednu z príčin, ktoré by najviac podporili. 26,21 % opýtaných označilo ako príčinu na pomoc práve deti, rovnako ako výskum zameraný na zdravie. Výsledky jasne ukazujú, že spolupráca firiem s neziskovými a charitatívnymi organizáciami je veľmi efektívnou formou reklamy.

Spotrebiteľský dopyt a očakávania firiem pôsobiť ako spoločensky zodpovedný subjekt nemožno podceňovať. Spoločnosti by mali pravidelne sledovať výsledky získané od partnerských neziskových organizácií a publikovať, resp. zverejniť ich na svojich webových stránkach. Dosiahli by tým informovanosť spotrebiteľa o tom, aké percento z ceny výrobku je určené na charitu. Rovnako, ako spoločnosti, aj neziskové organizácie by mali komunikovať so zákazníkmi prostredníctvom publikácií, spravodajov

a internetových stránok a oboznámiť darcu príčinne zameraného programu, aké výhody a výsledky sa od partnerstva očakávajú.

Hlavných cieľom uskutočneného výskumu bolo získať informácie pre objektívnejšie analyzovanie efektivity cause marketingu a vnímanie príčinnej reklamy spotrebiteľmi.

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SLOVAK AGRICULTURE UNIVERSITY IN NITRA FACULTY OF ECONOMICS AND MANAGEMENT

1129924

CAUSE – RELATED MARKETING AND ITS APPLICATION IN INTERNATIONAL COOPERATION WITH UNICEF

Appendices:

Appendix 1: IKEA & UNICEF campaigns

Appendix 2: Questionnaire

Appendix 1: IKEA & UNICEF campaigns



"The Right to Play" Promotion
Source: *The Right to Play*. [online]. 2011. [cit. 2.5.2011]. Available from Internet: http://www.righttoplay.com/International/news-and-media/Pages/Photos.aspx.



"SUNNAN" Promotion

Source: Sunnan lamp. [online]. 2011. [cit. 2.5.2011]. Available from Internet: .



"SOFT" Promotion

Source: Soft Toy. [online]. 2011. [cit. 3.5.2011]. Available from Internet: http://hereandthere.us/index.php/2009/holiday-gift-guide-ikea-soft-toys/>.

Appendix 2: Questionnaire (1/4)

Slovak University of Agriculture in Nitra

Faculty of Economics and Management

Dear Sir / Madam

I would ask you to fill out the following questionnaire. Thank you in advance for your willingness and time spent in completing it. All the data are anonymous and strictly confidential and intended only as a basis for further statistical processing of my bachelor thesis: Cause – related Marketing and its application in international cooperation with UNICEF.

| bachelor thesis: Cause – cooperation with UNICI | | ing and its app | lication in international |
|---|-----------------|-----------------|----------------------------------|
| Thank you for your cooperat * Required | | | Adriana Čerťaská |
| Gender * | | | |
| ☐ Male | ☐ Female | | |
| Age * | | | |
| ☐ Under 18 | □ 19 to | 26 | □ 27 to 49 |
| □ 50 to 75 | □ 76 ar | nd over | |
| Occupation * | | | |
| ☐ Employed in priva | te sector | □ Emp | loyed in public sector |
| ☐ Self-employed | ☐ Uner | nployed | ☐ Student |
| 1. What do You think about corporation?* | charities and g | ood causes wo | rking together with a for-profit |
| ☐ A very good idea | [| ☐ A good idea | |
| ☐ A poor idea | ſ | ☐ A very poor | idea |

Appendix 2: Questionnaire (2/4)

| 2. How often do you come a month?* | cross cause-related marketing promotions in the past |
|---------------------------------------|---|
| 9, , | a type of marketing involving the cooperative efforts of a for profit for mutual benefit with purpose to support social and other charitable |
| causes. | |
| ☐ Never | ☐ Not very often |
| ☐ Sometimes | ☐ Very often |
| ☐ Always | |
| 3. The Ad makes me to have a fo | avourable impression of partner company.* |
| ☐ Strongly Disagree | ☐ Disagree |
| ☐ Nature | ☐ Agree |
| ☐ Strongly Agree | |
| 4. The Ad makes me more or les | ss willing to patronize the participating companies.* |
| ☐ Strongly Disagree | ☐ Disagree |
| □ Nature | ☐ Agree |
| ☐ Strongly Agree | |
| 5. I think the caused-related mo | arketing promotion is a good way to raise money for the |
| disease/poverty prevention organ | nization.* |
| ☐ Strongly Disagree | ☐ Disagree |
| ☐ Nature | ☐ Agree |
| ☐ Strongly Agree | |

Appendix 2: Questionnaire (3/4)

| 6. I believe that the directors | s of the disease prevention organization are acting |
|------------------------------------|---|
| responsibly by using this cause- | related marketing promotion to raise funds to pursue its |
| mission.* | |
| | |
| ☐ Strongly Disagree | ☐ Disagree |
| ☐ Nature | ☐ Agree |
| ☐ Strongly Agree | |
| 7. I think much of the money d | onated through caused-related marketing promotion to |
| the disease prevention organizati | ion is wasted and does not go for good causes.* |
| ☐ Strongly Disagree | ☐ Disagree |
| ☐ Nature | ☐ Agree |
| ☐ Strongly Agree | |
| 8. I think IKEA is acting in a soc | cially responsible manner.* |
| * IKEA is the world's largest furn | iture retailer that specializes in stylish and inexpensive Scandinavian |
| designed furniture, household goo | ds and kitchen accessories around the world and cooperates with |
| UNICEF to improve child protectio | n and education through cause oriented marketing. |
| ☐ Strongly Disagree | ☐ Disagree |
| ☐ Nature | ☐ Agree |
| ☐ Strongly Agree | |
| 9. I will say positive things abou | t IKEA company to others and consider products of this |
| company as my first choice when | I buy home furniture.* |
| ☐ Strongly Disagree | ☐ Disagree |
| □ Nature | ☐ Agree |
| ☐ Strongly Agree | |

Appendix 2: Questionnaire (4/4)

| 10. I will purchase products of th | is company more in the future.* |
|------------------------------------|---|
| ☐ Strongly Disagree | ☐ Disagree |
| □ Nature | ☐ Agree |
| ☐ Strongly Agree | |
| 11. I am willing to pay for the p | roducts of IKEA company even if I notice the price is a |
| bit higher, compared to other con | npany with furniture.* |
| ☐ Strongly Disagree | ☐ Disagree |
| ☐ Nature | ☐ Agree |
| ☐ Strongly Agree | |
| 12. Which of these causes would | You like to support most? * |
| ☐ Animal rights | ☐ Children |
| ☐ Elderly | ☐ Health research |
| ☐ Human rights | ☐ Poverty |
| ☐ Third world | |