

МАРКЕТИНГ

Andreieva K.A.

Master,

Kyiv National Economic University named after Vadym Hetman;

Candidate for a Master's Degree,

Institute of Business Education

CAUSE-RELATED MARKETING AND ITS ROLE IN THE SOCIAL RESPONSIBILITY FORMATION OF NON-PROFIT ORGANIZATIONS

Cause-related marketing (CRM) is a partnership between a for-profit and non-profit organizations where both entities realize a benefit [1, p. 32].

The term «cause-related marketing» was actually coined during a 1983 campaign by American Express. In that campaign, every time an American Express Card was used anywhere by anyone, the company donated one cent to the Statue of Liberty Restoration Project. American Express saw a 17% increase in new users and a 28% increase in card use. The creation of the term is credited to American Express, who helped raise close to \$2 million over four-month period for the Statue of Liberty Restoration project [1, p. 45].

The main CRM opportunities are:

- corporate philanthropy;
- the need for help (nonprofits);
- citizen consumers.

Cause-related marketing campaigns are good for non-profit organizations such as the United Nations High Commissioner for refugees and the refugees it supports, as well as for businesses. They can help raise awareness of the refugee cause, boost funds and reach new supporters. Through cause-related marketing initiatives, companies can target customers interested in making a difference for the refugee cause and associate their brands to a global and respected United Nations' organization [2].

Cause-related marketing objectives can be defined as followings: building corporate, brand and product awareness; increasing sales and income; promoting a new product; promoting differentiation and adding value.

There are many advantages of caused-related marketing such as [2]:

- 1) CRM can directly enhance sponsor sales and brand.
- 2) CRM can heighten customer loyalty.
- 3) CRM can boost a company's public image and helps distinguish it from the competition.
- 4) CRM can help build employee morale and loyalty.
- 5) CRM can improve employee productivity, skills and teamwork.

For non-profit organizations such as United Nations agencies there are many forms of the caused-related marketing which are specified below [3]:

1. Product sales – association of many companies with the aim-to sell specially branded products with a portion of the selling price going to UN agencies’ needs.
2. Purchase plus – also called «point-of-purchase», this popular campaign takes place at the checkout lines of grocery stores or other retail stores.
3. Licensing of the nonprofit’s logo, brand, and assets – licensing runs the gamut from products that are extensions of the UN agencies’ mission to using their logos on promotional items such as T-shirts, mugs to have the nonprofit provide a certification or commendation of particular products.
4. Cobranded events and programs – means runs, walks, set up of expeditions and other programs and events.
5. Social or public service marketing programs – social marketing involves the use of marketing principles and techniques to encourage behavior change in a particular audience.

Attributes of leading non-profit organizations for example UN leading agencies are presented in the table 1 below.

Table 1

Attributes of leading non-profit organizations for UN agencies

Service / Provider / Entitlement	Strategic Repositioning	Partnership & Collaborations	Social Responsibility	Citizenship
<ul style="list-style-type: none"> – Do ‘good’ works – Deserving – Dependent on key funders – Isolated – Poverty mentality – Focus on mission 	<ul style="list-style-type: none"> – Diversified funding needs – Sectoral collaborations – Competition for volunteers – Focus on mission and markets 	<ul style="list-style-type: none"> – Knowledge of issue – Proactive – Sustainability thinking – Build business capacity – Cross sectoral partners – More accountability 	<ul style="list-style-type: none"> – Value added strategies – Tackle broad social issues vs. narrow organizational issues – Increased involvement in public policy decisions 	<ul style="list-style-type: none"> – Commitment to build community capacity – Promote civil society – Best practice re: social, environmental & ethical practices – Establish standards of accountability – Demonstrate leadership

Source: author’s development and [3]

Each non-profit organization choosing case-related marketing strategy in the development of social responsibility activity passes four important steps to the successful cause-related marketing campaign [2]:

- 1) Planning and preparation: this covers the process of finding a partner, defining the scope of the partnership and gaining commitment.
- 2) Negotiating the partnership: this includes aligning objectives, auditing assets, defining the nature of the activity, valuing the opportunity and assessing the risks.
- 3) The formal agreement: this covers some of the legal requirements and codes and the responsibilities and liabilities.

4) Managing the program: this highlights the project management aspects
Communicating the program: this covers the delicate balance that is required
Monitoring, measuring and evaluating the program.

Only well-built and smart marketing campaign can be useful and effective for the organization or company in their quest to solve important social problems of humanity.

Summarizing, it should be concluded that further perspectives of cause related marketing campaigns for local and international non-profit organizations could be the followings [1, p. 76]:

- increasing of organizations' volunteer numbers in the short term;
- receiving help from the senior staff of the firms providing managerial assistance;
- getting professional skills, technical knowledge and such physical assets as distribution networks.

In the conclusion, it is important to notice that cause-related marketing can offer a vehicle of mutual benefit for non-profit organizations and companies such as providing a needed source of revenue, providing a way to raise the profile of its cause and opportunity to build a relationship with a company that will potentially strengthen corporate social responsibility.

References:

1. Jocelyne Daw. Cause Marketing for Nonprofits: Partner for Purpose, Passion, and Profits (AFP Fund Development Series), 2006 – 312 p.
2. The Art of Cause Marketing: How to Use Advertising to Change Personal Behavior and Public Policy, Richard Earle, McGraw-Hill, 2002.
3. Cause-Related Marketing. External resource. [Electronic resource] / UN – Access mode: <http://www.unhcr.org/cause-related-marketing.html>.

Кріпак Л.М.

студентка,

*Дніпровський національний університет
імені Олеся Гончара*

МІЖНАРОДНА КОНКУРЕНЦІЯ ЯК ОСНОВНИЙ МЕТОД СТИМУЛЮВАННЯ РОЗВИТКУ МАРКЕТИНГОВОГО МЕНЕДЖМЕНТУ НА ПІДПРИЄМСТВІ

Внаслідок глобалізації, тотальної інформатизації та введення технологічних інновацій, обумовлених переходом до постіндустріального суспільства, підприємства зіштовхуються зі зростаючим тиском конкуренції. Так, якщо у 1990 рр. у міжнародній торгівлі переважали підприємства зі США, Японії та Європейського Союзу (ЄС), які разом генерували 80% світової торгівлі, то у 2016 р. ця доля знизилася до 47,4%, оскільки їх витісняють