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From Brand Equity to Cause-Related Marketing

A case study on
Coop Alleanza 3.0

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INTRODUCTION

The notion of brand equity, which has been developed from the theories on branding, became a key marketing concept among the business literature in the 1980s. It has now become one of the most important assets that companies have, a noteworthy strategic marketing tool for business in order to gain long term sustainable competitive advantage, to strengthen a brand performance on the market and to support the management in strategic decisions. Aaker (1991), one of the main scholars on brand equity, defines it as “a set of brand assets and liabilities linked to a brand, its name and symbol, that add or subtract from the value provided by a product or a service to a firm and/or to that firm’s customers”. Whereas Keller defines brand equity as “the differential effect of brand knowledge on customer response to the marketing of the brand” (Keller, 2011).

Brand equity has been studied under two main models: the market share model (MSE Model) – addresses brand equity estimate mathematically according to some financials models – and the customer-based brand equity model (CBBE Model) – analysis from customers’ point of view by determining how they respond to a brand marketing activity through the analysis of the differential effect of brand knowledge on customer response to those activities.

The CBBE model is driven by five main elements: brand loyalty, brand awareness, perceived quality, brand associations and other proprietary brand assets.

Cause-related marketing plays a significant role in the building of brand equity, as it increases the knowledge of brand in customers and spreads the associations with it, thus increasing the points of contact between brands, customers and prospects.

Cause-related marketing can be viewed as a manifestation of the alignment of corporate philanthropy and enlightened business interest. It is basically a marketing program that aims at achieving two objectives: first, improve corporate performance and help worthy causes by linking fund raising, or other techniques such as investments in unconventional advertising, for the benefit of a cause to the purchase of the firm's products and/or services. Indicative of the marketing thrust of CRM programs is the fact that, in most cases, contributions to charity stemming from a firm's CRM do not come from its regular philanthropic foundation budget. Rather, a portion of the marketing budget that normally would have been expended for

advertising and/or sales promotion is instead earmarked for contribution to a cause on behalf of those customers who engage in revenue-producing transactions with the firm during a specified time period and comply with other terms of exchange. Also indicative of the marketing thrust of CRM programs is the fact that the amounts expended by the firms in promoting the programs, and thereby stimulating demand for their brands, tend to be substantially higher than their promised maximum contribution to the cause.

The first example of cause-related marketing dates back to 1983, when American Express Company launched a cause-related marketing program in support of the renovation of the Statue of Liberty. American Express' campaign declared that it would donate a penny to the renovation for each use of its charge card and a dollar for each new card issued. American Express had a 28% increase in card usage over the same period in 1982 and a sizable increase in the number of new cards issued. This \$6 million national promotion campaign resulted in a \$1.7 million contribution by American Express to the Statue of Liberty-Ellis Island Foundation.

There are several ways of how cause-related marketing can be implemented in the marketing strategies: portion of purchase/percentage of sales (firms donate a portion of the sales profit to a cause), action driven (firms request customers to have an active role in the participation of the cause, it can be expressed under different forms such as votes and contests), cause products (the firm creates a product or a service whose purchase will address specifically the cause to demonstrate the company's commitment).

Coop Alleanza 3.0, one of the top-tier Italian food retailer, in collaboration with Fondaco Italia, an Italian-based innovative consulting boutique mainly focused on corporate communication through cultural campaigns, has been developing a cause-related marketing project involved in the origination of an arts-based brand loyalty building programme. This project has reached this year its third edition and it consists in the restoration of eight artworks situated in eight different Italian regions, where Coop Alleanza 3.0 has its main stores. This project involves the direct participation of customers, who have to vote between two artworks for each region, on the dedicated website, which is the one they will dedicate the restoration. After the vote, customers will receive a coupon. This chapter is dedicated to a detailed analysis of the project and the insights that it created, as well as a descriptive

qualitative research on customers' behaviour towards the project and an interview to the management of Coop Alleanza 3.0.

To support this research, an interview with company management responsible of the project, a survey to 680 customers and prospects and an analysis of the data from customers who are already participating in this project has been used.

CHAPTER 1 – BRAND EQUITY: DEFINITION, MEASUREMENT AND MANAGMENT

1.1. Defining Brand Equity

The word “brand” has now become part of everyday language, but it has ancient roots in history. In fact, the word is derived from the Old Norse language word *brandr*, used to describe the act of placing a mark on animals by livestock owners to identify them. Evidence shows that the first users of the branding concept were the Egyptians, whose brickmakers used to place symbols on their bricks to identify and distinguish their products among those from the others (Bastos and Levy, 2012). Years later, in medieval Europe, trade guilds started requiring “trademarks” on their products to transmit their customer consistent quality and to obtain the producer legal protection in an exclusive market (Farquar, 1989).

The concept of branding evolved in the eighteenth century with the addition of names, animal symbols and places of origins to strengthen the association between a product and the brand name and, for producers, to differentiate themselves from the competition and to help customers remembering their products easily. The objectives and the strategies of branding have evolved further between the nineteenth and twentieth century in order to support companies in building strong brands, to make them sustainable over time and to expand them.

The American Marketing Association (AMA) defines the word brand as a “name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or one group of sellers and to differentiate them from those of competition”.

Branding implies creating the mental structures in customers’ mind in order to help them organize their knowledge about products and services, with the result that it clarifies their decision-making process to perceive differences between brands in a product category and, at the same time, provides value to the brand owner.

It is important to highlight the difference between the concept of product and the concept of brand. A product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a need or want. According to this definition, a product can be a physical item, a service, a shop, a person, an organization, a place or an idea. A brand can therefore be a product, but it has to be one that adds other dimensions that differentiate it in one or more ways from other

products that have been designed to satisfy the same need. The range of differences can depend on the degree of rationality, tangibility - i.e. related to the product performance of the brand - or on the degree of symbolism, emotionality and intangibility - i.e. more related to what the brand represents (Keller et al., 2011).

Branding has become one of the most valuable concepts to marketers because of the different role it plays both for customers and companies. On the one hand, from the customers' perspective, a brand can take on special meaning to them and can fulfil various functions. A brand is a useful way to identify the source and maker of a product, it acts as a means of simplification for customers product decisions because of their past experiences with it and because they have learnt about the brand over the years. Moreover, a brand can have symbolic meanings, as it allows to affirm their self-image, for example, certain brands reflect different characteristics and values because they are used by certain kind of people. According to Keller (2011), brands can eventually reduce the different types of risks that may arise during the purchase process, as the functional risk (the product is not able to deliver the expected results), physical (the risk can represent a threat to the physical wellbeing or health of the customer), financial (the product may not be worth the price), social and psychological (the product represents a way of self-expression and might not be able to meet the expectation of the customer and of the society) and time (if the product results in a disappointment, it may result in an opportunity cost of finding a product that could have satisfy a particular need). Customers try to handle those risks by purchasing those brands with which they had favourable past usage experiences.

On the other hand, brands can also fulfil precious functions for companies. Not only they represent a means of identification to ease the handling and tracing of products, they also simplify the processes of organizing the inventory and accounting management. A brand provides legal protection such as rights for the intellectual protection, patents and registered trademarks. Moreover, brands give the legal designation to the brand owner. As for each brand exist unique associations and meanings that derive from the combination of several aspects, a brand can be associated with a certain level of quality that can translated into brand loyalty. Thus, it can be considered as a meaningful way of securing competitive advantage by providing predictability and certainty of the demand, as well improving the creation of barriers to prevent other firms in entering the market. On the whole, brands

represent for companies significant elements of legal property, that are capable of having an influence on customer behaviour, during the selling and purchasing process and can provide the security of enduring future revenues (Keller et al., 2011).

The notion of brand equity, as strictly related to the theories on branding, became a key marketing concept among business literature in the 1980s. The topic has gained significant attention from the academic researchers in the 1990s and has become now one of the most important assets that companies have, a noteworthy strategic marketing tool for business in order to gain long term sustainable competitive advantage, to strengthen a brand performance on the market and to support the management in strategic decisions.

Although considerable amount of research in the marketing field, there isn't yet a single, uniformly accepted theoretical basis for brand evaluation, for this reason the assessment on brand equity and the quantification of the returns on marketing activities in financial terms continues to be a paramount constraint for the firm management strategy (De Oliveira et al., 2015).

By reviewing the existing literature on brand equity, it is possible to find several definitions and facets on the subject, thus demonstrates how brand equity became a central topic in the branding and marketing fields (Hanaysha et al., 2013).

Aaker, one of the main scholars on brand equity, defines it as “a set of brand assets and liabilities linked to a brand, its name and symbol, that add or subtract from the value provided by a product or a service to a firm and/or to that firm's customers” (Aaker, 1991). Whereas Keller defines brand equity as “the differential effect of brand knowledge on customer response to the marketing of the brand” (Keller et al., 2011). Brand equity, which is generated by a firm's set of assets and liabilities, provides value both to the customer and to companies.

The assets of brand equity can increase or decrease value for customers, by helping them interpreting, processing and storing huge quantities of knowledge about brands or products, as well as affecting their confidence during the purchase process because of the past usage experiences and the familiarity with the brand and its characteristics. Perceived quality and brand's association can strengthen customer's satisfaction via the use experience.

When brand equity increases values for customers, it enhances value also for the firm by generating marginal cash flows in several ways (Aaker, 1991). It can help in the

attraction of new customers or in the regaining of older ones, it can increase the degree of brand loyalty as well as perceived quality, associations with the brand and brand awareness can affect customer's satisfaction and influence the purchase decisions. A higher level of brand loyalty is essential for a brand, especially when competitors are innovating and have competitive advantages, because it can decrease the risks of switching brand and buying time period. A strong perceived quality is not an easily competitive advantage to overcome, as well as achieving parity in brand awareness. Finally, brand equity can reduce the barriers when entering in new distribution channels, in fact it is more likely that a strong brand will have an advantage in gaining shelf facings and cooperation in the implementation of promotions because traders have less uncertainty in dealing with a well-known brand that has already obtained access to different distribution channels.

Brand equity has been studied under two main models: the market share model and the customer-based brand equity (also called CBBE) one. If, on the one hand, the first perspective assesses the overall value of brand according to several financial indicators of the brand's performances on the market to define the financial value of a firm mathematically, on the other hand, the second one approaches brand equity from the perspective of the customer by determining how they respond to a brand marketing activity through the analysis of the differential effect of brand knowledge on customer response to those activities (Keller et al., 2011). Specifically, customer-based brand equity is defined as the differential effect of brand knowledge on customer response to the marketing of that brand (Keller et al., 2011).

By analysing Keller's definition, it is important to focus on 3 main aspects: *differential effect*, that can be settled by comparing customer response to the marketing of a brand with the response to the same marketing of a fictitiously, named or unnamed, version of the product or the service; *brand knowledge* can be assessed through brand awareness and brand image and is perceived according to the facets and the connections of all different kinds of brand associations; *customer response to marketing* is evaluated through the analysis of customers' perceptions, preferences, and behaviours that arise from the marketing mix activity. What emerges from this definition is that a brand will have a positive – or negative – customer-based brand equity if customers react more – or less – favourably to one element of the marketing mix of the brand than they do to the same marketing mix element when it is attributed

to fictitiously named or unnamed version of the product or service. Furthermore, when customers have a supportive response and thus a positive customer-based brand equity, this can drive to increased revenue, a decrease in the costs and greater profits. This occurs more seldom when customers are familiar with the brand and they hold favourable, strong and unique brand association to that particular brand in their memory.

The different conceptualization of the above-mentioned perspectives results in the emerging of two key points (Lassar et al., 1995). First, the company's strategy should take a broad view of the marketing activities of a brand in order to recognize the different effects it has on brand knowledge and evaluate if the changes on brand knowledge are affecting more traditional output indicators such as sales. Second, the company's management should realize that the long-term success of all the future marketing programs is greatly affected by the knowledge customers have in memory on that brand and that has been established by the company's short-term marketing investments.

Customer-based brand equity depends on the assets and liabilities of a firm and occurs when customers have significant levels of awareness and knowledge of the brand and when they store in their memory strong, favourable and unique brand associations (Keller, 2011). Thus, customers must know that there are various and meaningful differences between brands, that brands which are in the same category are not the same. Brand equity and the assets and liabilities to which it is based can vary from firm to firm and depend on many contexts, but they have been grouped into 5 categories that represent the sources of brand equity.

The identified categories of assets and liabilities are:

1. Brand loyalty
2. Brand awareness
3. Perceived quality
4. Brand associations
5. Other proprietary brand assets

1.2. Drivers of Brand Equity

1.2.1 Brand loyalty

Brand loyalty is considered to be the core element for building brand equity (Aaker 1991). It reflects how attached a customer is to a brand and describes the likelihood of a customer to switch from one brand to another, particularly when the brand modifies the product features or the price. When there is an increase of brand loyalty, the vulnerability of the customer base to competitive action decreases.

Five different levels of brand loyalty can be identified, although they might not always appear in pure form, and each level must be addressed with a proper marketing strategy in order to respond to the challenges that arise (Aaker, 1991).



Figure 1.1 - Aaker's Loyalty Pyramid

At the bottom of the pyramid, there are the *switchers*, associated with the lowest loyalty level, they are completely indifferent to the brand and the brand name does not count for the purchase decision. As they are very price sensitive, the brand that best meets their needs, given their willingness to pay, is suitable. The next level of the pyramid is occupied by the *habituals*, which include those buyers who are satisfied - or at least not dissatisfied - with the brand and that no dimension of dissatisfaction could lead to change, especially if this include some efforts. Those buyers can become sensitive to the competitors that offer them easy and visible benefits in switching. The third level is filled with *satisfied buyer*, represented by buyers who are satisfied with the brand and have switching costs associated to the change, for example costs in time, in money or performance risk associated when switching. They might fear that the other brand won't function as well as the old one. To address the challenge of this

segment, competitors should offer a stimulus and a large benefit to compensate the switch. On the fourth level there those who *likes* the brand truly and consider it as a friend, they might have emotional attachments to the brand built over the time with associations such as symbols, use experiences and high perceived quality, although it is difficult sometimes to assess the true reasons why they like the brand. This segment is often addressed with the term friends of the brand because of the emotional feeling and attachment that links them with the brand. Those customers might switch to another brand if the feeling of attachment changes. The top level of the pyramid is occupied by *committed buyers*, who have the highest level of loyalty. They are proud of having discovered and used the brand and they demonstrate it, they are so committed with the brand that they recommend it to others. The brand is important for them functionally and as an expression of themselves. This segment is very important for brand managers because not only it represents a secure stream of revenues, but it has an impact upon other customers through the word of mouth and upon the market itself.

Brand loyalty is different from the other sources of brand equity because it is the one which is more linked to usage experience. Loyalty cannot exist before the customer has known and experienced the brand, whereas for the other source, for example awareness, associations and perceived quality are characteristics that do not necessarily depend on the usage. The concept of loyalty is strictly connected to the brand, it is not possible to transfer it to another name or symbol, without huge investments and a possible loss in the level of sales (Phung, 2019).

In order to have a broader view of how brand loyalty can improve the building of brand equity and how to manage it, it is important to focus on how to measure it, according to the different existing approaches. The approaches focus on actual behaviour patterns, switching costs, satisfaction, liking and commitment (Aaker, 1991).

The *actual behaviour* of customers approach is a model that analyses the actual purchase patterns. There are 3 main measures that are used to assess it: repurchase rates (describes the percentage of customers that, after having bought a product or a service brand the first time, buy, on the next purchase, the same product or service from that brand), percent of purchases (analyses the distribution of brands for customers expenses distribution; among the last purchases made by a customer, what

percent went to each brand purchased) and number of brands purchased (takes into consideration one or more classes of products and analyses how many brands customers have bought for that particular product. For example, it analyses what is the percentage between tea buyers who buys a single brand, two or more). The nature of brand loyalty can depend according to the product classes, the number of competing brands and the nature of products.

By analysing the *switching costs*, companies can obtain insights about the extent to which switching costs can provide a basis for brand loyalty. One kind of switching cost is related to the investment in a product or a system, for example, when a firm invests in new production machinery, the purchase is only part of the investment involved, the firm will have to invest also in training employees in order to understand how to work with the new system. Another kind of switching cost is the risk of change, although the current machinery works, and might have some disadvantages, there is always the risk that the new machinery will perform worse.

Another measure of brand loyalty is *satisfaction*, which analyses the level of satisfaction – and more importantly dissatisfaction – of customer towards a brand. It can provide useful information about why customers might be switching to another brand, what are the issues that they are facing and how to address them.

Furthermore, *liking of the brand* measures the extent to which customer are told to like the company and what are the feeling they associate to it. For example, a positive affection can be a useful barrier for competitors. Overall liking of the brand can have different degrees, such as liking, respect, friendship and trust.

Finally, *commitment* expresses the highest level of loyalty. Brands which have a high level of equity are those with the larger number of committed customers. The level of commitment can be easily identified because it is usually manifested in many different ways, among them the amount of interaction and communication involved with the product or service such as word of mouth and recommendation to other users.

Brand loyalty represents a remarkable asset for firms and it can be a significant source for generating value. First, it can provide a decrease in the marketing costs, as it less costly to retain old customers rather than reaching new ones, who may lack of motivation for changing brand. If existing customers are not dissatisfied with the brand and they are loyal to the brand, this will represent an important entry barrier

for competitor because, as highlighted above, it requires a huge amount of resources to make customer switch to another brand if they have proven loyalty to another. Then, brand loyalty can be useful to provide trade leverage because strong loyalty towards some selected brands can guarantee preferred shelf space as stores know that customers will surely have those brands on their shopping list. Trade leverage can be very in store choice decision, particularly important when brands are launching new sizes, new varieties or when they are planning a brand extension. Furthermore, brand loyalty can be a useful tool to attract new customers. If there is an existing segment of customers that are satisfied with the brand and who like it, they can provide an assurance to new customers, especially in the case of products with a high level of involvement and risks – like in the case of smartphones or computers – as if the brand is already well accepted by a group of customers can be an effective message, a tool to attract new ones. It is well known that word of mouth and recommendations are now an important tool for firm (Burmam et al., 2009), because seeing a product being used by a friend will generate the kind of memory links to the use context and the user that any advertisement would have great difficulty in generating (Aaker, 1991). Finally, brand loyalty can help firm with time in order to respond to competitor moves. This happens especially with high tech products, if, for example, a competitor will develop a new product that has better features, loyal customers will give time to the company to align with the competitor and improve the existing product or, as they are loyal, they will not looking for any product from competitors and they will not be exposed to new products. In the aim of building and developing customer-based brand equity, brand loyalty can be an important tool for firm as it helps in enhancing the confidence customers place on a brand rather than they do for competitors, a trust can be translated into creating awareness and associations with that brand.

1.2.2 Brand awareness

Brand awareness is the second key ingredient to build brand equity because it develops the differential effect that drives brand equity. Brand knowledge has 2 main components: brand image and brand awareness. It is important to understand how it is structured, as brand image has several influences on what comes to mind

when a customer thinks about a brand and can represent a significant tool when, for example, measuring the responses to marketing activities for that brand (Jara, 2012). Brand awareness describes the degree of customer recalling or recognizing a product or a service by its name (Huang et al., 2012). It is related to the strength of the brand node or trace in customers' memory and reflects their ability to identify the brand under different conditions. Brand awareness is connected with the likelihood that a brand name will come to mind and how easy it is that it does so. In addition, brand awareness is the ability of a potential customer to recognize or recall that a brand is a member of a certain product category, as a link between product class and brand is involved (Aaker, 1991). Brand awareness usually involves a continuum that ranges between an uncertain feeling of brand recognition and that that brand is the only one in product class.

This continuum is depicted in 4 different levels of brand awareness (Huang et al., 2012):

1. *Unaware of the brand*: it is the first phase every new brand has to undergo; customers don't know who the brand is and they cannot identify its products and its services.
2. *Brand recognition*: it is the lowest of brand awareness. It reflects customers' ability to prove prior exposure to the brand when it is given as a cue. customers should correctly identify the brand after having seen or heard about it before. To identify if customers can recognize a brand, usually, an aided recall test is applied. It can consist, for example, in giving customers a set or a list of brand names from a given product class and they are asked to identify those brands that they have seen or heard of before.

Brand recognition corresponds to the minimal level of awareness and it is particularly important when customers are in the point of purchase and they have reached the stage of choosing between brands.

3. *Brand recall*: consists in asking customers to name the product in a product class and reflects customers' ability to recall the brand after being given the product category, the needs addressed by the products in the category or other hints. It can be also be named as "unaided recall" because customers are not helped with the list of brands name, contrary to what happens with the recognition test. Unaided recall is more difficult than aided because it requires a stronger brand

position as, when aided, customers can recall many more elements as being given the brand name.

4. *Top of mind*: during unaided test, the first brand that comes to customers' mind is called "top-of-mind awareness" as it has reached a special position – ahead of other brands – in their mind. This level of awareness is the most difficult to reach, but it is the most important because it usually reflects the closest brand among all in customers' purchase intention.

Brand awareness has a major role in the customer decision making process for 3 main reasons (Keller, 1993). First, it is important that, when customers are thinking of a brand, they reflect upon the product category as, by increasing brand awareness, there is an increase in the likelihood that the brand will be one of the elements in the bundle of brands that they are going to consider in the purchase process. Then, brand awareness can influence the decisions about the brands in the consideration set, although there mightn't be other brand associations. A likelihood elaboration model has been developed to suggest that customers, when there is a low involvement level in the purchase process, establish their choices on brand awareness considerations because they may lack motivation (i.e. customers are not involved with the product or service) or ability (i.e. customers haven't knowledge about the brand). Finally, brand awareness can influence customer decision making by modifying the formation and strength of brand associations upon the brand image.

Brand awareness enhance value creation process in many ways (Aaker, 1991). Above all, it acts as a first step for creating several brand associations. In the designing of a communication strategy, the first step would be to assess if a brand name is well established among customers – in other words, to verify the existence of links in customers' memory – as it would be unprofitable to start communicating the brand attributes without an established name with which to associate the attributes. Gaining recognition is particularly important when launching new products or services, whereas with established brands customers has simply to attach an additional association to that brand, for example a product's attribute or flavour. Furthermore, recognition can enhance the sense of familiarity and liking of a brand. The feeling of familiarity is particularly important with products that belong to low financial risk and that have little time investment for the buying process, such as convenience goods and customers do not apply the "cognition-affection-action"

procedure (Huang et al., 2012). Research has proved (Nedungadi, 1990) the existence of a positive relationship between the number of brand's exposures and an increase in the sense of familiarity and liking with different stimuli such as pictures, music and other kinds of associations. Then, awareness can act a sign of presence, commitment and substance, following the logic that, if a brand has been recognized there must be some underlying reasons, for example, the firm has invested a lot in advertising or it has been an established business for many years, with a wide access to distribution. Brand awareness create the basis for the assumption that a firm is noteworthy, whereas if a brand hasn't been heard before, customers have the suspect that is not as worthy as the other. Finally, brand awareness can increase the possibility of a firm to enter in customers' consideration set in the buying process, who usually consider 3 to 4 alternatives. For this reason, if a brand is not successful in reaching the top-of-mind position or recognition, it is usually not included in the consideration set, unless it is not one of those brand customers choose not to buy because they belong to the category which they strongly dislike which is always not included in the consideration set.

Although brand awareness is a key asset and plays a crucial role in the brand equity building, it is more effective with established brands and products. Thus, brand awareness would not act as a driver for the sales of a new product, as customer don't possess knowledge and links in their memory of the product.

Brand image is the second element of brand knowledge and is defined as the perceptions about a brand as reflected by the brand associations held in customers' memory (Keller, 1993). Brand associations are informational nodes connected to the brand node in customers' memory and can contain the signification of the brand for customers. They are achieved through those communication strategies that are capable of creating strong, favourable and unique associations to the brand in memory, the premises of the customer-based brand equity model. The model does not distinguish between the source of brand associations and how they are formed, it is more focused on the resulting favourability, strength and uniqueness nature of the associations. If, on the one hand, there are sources that can be marketer-controlled, which are generated and managed by the company, on the other hand brand associations can be created in several other ways; for example, they can be generated by customers' direct exposure to the brand, from knowledge communicated by the

brand directly from the firm or other sources, for example through word of mouth, magazine reviews, social media.

1.2.3 Perceived quality

Perceived quality reflects customers' perceptions of the overall quality or superiority of a product or service with respect to its intended purpose, compared to competitors' alternatives (Aaker, 1991).

Perceived quality differs from the actual quality of a product or a service, as it belongs to customers' perception, thus it cannot be objectively determined, because it involves personal judgements that can depend on several factors (Zeithaml, 1988). For this reason, it is not related to concept such as actual or objective quality (that describes the extent to which a product can deliver superior service), product-based quality (the nature and quantity of products characteristics and features included) and manufacturing quality (the degree of ideal manufacture perfection that the product has, the "zero defect" goal).

Perceived quality has to be distinguished from satisfaction, as customers may have low expectations about the performance level of the product or service, and attitude because, for example, customers may have positive attitude towards a product or a service when a product of inferior quality is inexpensive or, on the contrary, customers may have a negative attitude towards a high quality product due to the fact that is overpriced (Sanyal et. al., 2011). Moreover, perceived quality is an intangible characteristic of a brand, which is usually linked to several tangible elements of a product or service such as product/service attributes and its performance.

Perceived quality can enhance the value creation of a brand according to several factors (Aaker, 1991). Firstly, perceived quality can have an impact on the reasons to buy a product by influencing the brands that are inside – or outside – the consideration set and the brand that has to be selected. Perceived quality becomes vital when customers don't possess enough information on competitors' brands to make an objective quality evaluation or they might not have the ability to sort that information out. Moreover, the outcome of a marketing campaigns can result in being more effective as the perceived quality is strictly connected to purchase decisions. If the perception is high, the advertising is likely to be effective, on the contrary, if the

quality is perceived negatively, advertising and promotion will likely be less effective (Valarie A. Zeithaml, 1988).

In addition, perceived quality can increase the value of a brand by having an influence on the positioning and the differentiation. One of the main characteristics of a product or a service is the kind of positioning that belongs to him, for example, a product can be super premium, premium, value or economy whereas a brand can be the best among the product category or only competing at the same level with the other brands in the class.

Moreover, perceived quality can provide acceptance of charging a premium price. A higher price can increase the firm's profits and resources, which can be invested for different purposes, such as brand building activities to promote brand awareness and associations, or in R&D to develop or improve products. Perceived quality is boosted by premium price because at a higher price it is usually associated with high quality, this is especially the case of products whose information is not objectively available for the customer. If the customer is offered a superior value at a competitive price instead of premium price, the value should increase the customer base, enhance brand loyalty and improve the effectiveness of marketing programs (Correia Loureiro, 2013).

Furthermore, perceived quality can be a meaningful tool to support the enlargement of a firm's distribution, as it can communicate to retailers, distributors and other channel members a superior quality, thus improving the overall image of the brand and making it more desirable. Retailer and distributors' image are influenced by the products or services that are included in its line, and, in order to improve customers' traffic in the store, they can offer a high perceived quality product at an inferior price. Finally, perceived quality can increase the success of brand extensions by using the existing brand name to enter in new product categories. In fact, a brand with a higher perceived quality will likely manage easily a brand extension than a weaker brand.

As perceived quality plays a significant role in customers' purchase process, it is important to understand what are the elements that have an influence on it. For example, what are the attributes that customers value the most and that make them believe a product has a high/low quality?

Influences can vary according to the different dimensions they belong: the product and the service context (Garvin, 1984).

On the product side dimension, there are seven drivers that enhance product-quality:

1. *Performance*: refers to the basic primary operating characteristics of a product, for example, for products like car those characteristics would be acceleration, comfort, speed and safety. Given a specific product it is usually easy to identify the characteristics that are linked to performance, whereas it is more difficult to identify which is the best brand in terms of quality when the number of competitors is high. The more the number of competitors is high, the more the number of different users, which can identify different performance characteristics, thus increasing the level of subjectivity in evaluating a product's quality.
2. *Features*: are secondary elements of a product that can increase the overall product quality, as they are improving performances. Features are an important tool when differentiating two similar products and, for firms, to better address the needs of their user.
3. *Conformance with specifications*: it's a characteristic that is linked to the traditional manufacturing-oriented view and indicates the degree of absence of defects of a product, a measure of consistency. As it reduces the presence of defects it is a risk-reducer indicator for customers.
4. *Reliability*: is an indicator of the consistency of a product performance from one purchase to another and describes the percentage of times that the product delivers the right performance. There are two common measures of reliability: the mean time to first failure (MTTF) and the mean time between failures (MTBF).
5. *Durability*: it is an intrinsic characteristic of products used to describe the economic life of a good and that, contrary to services where the production time coincides with the consumption one, can provide a stream of benefits over time. It helps answering the question how long this product will last? A high durability is usually associated to a higher quality.
6. *Serviceability*: describes the ability to service a product and includes all the services that can be linked to the product, both before and post purchase. For example, Amazon sells products with a high degree of serviceability, from the delivery – customers can rely on this service, they can track it and have control over it – to the post purchase assistance where, in case of a damaged or incorrect product, customers know they can rely on a high quality service of returns. The degree of serviceability improves in improving the quality of a product.

7. *Fit and finish*: describes the appearance or feel of quality and is a dimension which can be easily evaluated by the customers before purchasing the product. For example, groceries can be easily judged at the very first sight. If the product doesn't correspond to these characteristics, customers may think that it doesn't possess all the other attributes.

Besides, on the service side, it is possible to find some of the characteristics that belong to the product. Firstly, with services, *competency* is a noteworthy element that describes the delivery of basic function to customers by the service and corresponds to the performance characteristic in the product quality dimension. Then the dimension of *tangibility*, which corresponds to fit and finish product's quality element, is an indicator of competences and performances while delivering the service. *Reliability* represents in services a more important characteristic than products, as with services, usually, people are involved. The outcome of a service can be deeply influenced according to the specific service person, customer or day that is involved. Finally, the last elements involve the service encounter dimension, which comprehends all the different occasions – of different time length – with which customers interact with a representative of the company. This includes *responsiveness*, *empathy*, *credibility*, *trustworthiness* and *courtesy* which describe the nature of the interaction between the service person and the customer.

In order for firms to be able to improve perceived quality, it is necessary to understand how capable the firm is to deliver high quality (Valarie A. Zeithaml, 1988). Being consistent in delivering quality in a useful attempt to convince customers about it, as it demonstrates coherence between the image that the firm wants to communicate and the real quality of the product. Commitment to quality, although it can be very difficult to maintain it over time, is the first step for firms that want to achieve a high perceived quality. Then, companies should be able to spread a quality culture – the values, the rules of behaviours and the symbols – in the organization environment, so that the quality is spread at each level and facilitate internal coherence and consistency. This point is particularly important as quality culture should be spread also among employees, who can initiate in improving the overall quality by providing different approaches to it. Moreover, it is important for firm to value customers' inputs. As being the final user of a product or a service, customers have a vital role in defining the real quality of it because they value several factors to

assess the degree of quality. A regular exposure of managers to customers is one of the approaches that are useful in order to gain customers insights, in addition to the employment of focus groups, surveys and experiments in order to monitor customer perceptions of the quality as well as competitors' products and services. Furthermore, to achieve high quality companies should set clear and consistent goals and find a way to measure them. If the settled goals are vague and too general, it can easily become unachievable. Finally, companies should monitor customer expectations in order to verify that they actually correspond to the real quality products, as if they were too high it would be difficult to manage them.

Price is a vital variable that can be an important quality cue. The relative importance of price as a cue depends on the product in consideration, on the individual and on the information available. When customers lack in motivation and in the ability of evaluating a product quality, price becomes more relevant. A research has shown (Aaker, 1991) that, according to the product class, a high price is usually the first indicator of quality; for example, the quality of wine, parfums and durable goods is to be associated with a high price, whereas product classes with a small variation of price are signal of low quality. Price is a relevant price cue when there are more differences in perceived quality across product classes.

1.2.4 Brand associations

Brand associations is anything which is deep seated in customers' mind about the brand, anything that is linked in memory to a brand.

Brand associations are boosted by brand image, one of the elements of brand knowledge, by increasing the familiarity of a brand through repeated exposure and by forging various levels of associations with the proper product category (Hoeffler, 2003).

There are several different typologies of brand associations and the way they can provide value to the firm and to customers (Aaker, 1991). Firstly, associations can provide a useful help to process and retrieve information during the buying process, by summarizing a set of facts and specifications that would be expensive for the firm to communicate and difficult to process and access for customers. They can have an influence on the interpretation of facts and on the recalling of information during the purchase process. Secondly, associations are a significant foundation for

differentiation, as for some product classes such as wines, parfums and apparel are not so easily distinguishable. Thus, on the one hand, associations to a brand name can provide elements to differentiate one brand from another and, on the other hand, can be a key competitive advantage, as competitors will have more difficulties and higher entry barriers. Furthermore, brand associations imply product attributes and customer benefits that represent a specific reason for purchasing and using the brand, by improving confidence and credibility in a brand. Then, associations can improve the creation of positive attitudes and feelings towards a brand. Some associations create positive feelings that can be transferred to the overall liking of a brand and can have an influence during the purchasing process. Finally, associations to a brand can provide a solid foundation for brand extension, by improving the sense of fit between the brand name and the new product or service, or by providing more solid rationale for the brand extension.

According to Aaker (1991) and Keller (2011), 11 forms of brand associations exist, according to the different level of abstraction and the qualitative nature of the association:

1. *Product attributes*: associating an object with a product attribute or characteristic is the most common element while defining the positioning strategy. The association with the product attribute can have an impact on the reasons to buy if the attribute is considered meaningful to the customer, thus improving the probability that the product is inside its consideration set. According to the product class, different attributes will be linked with different product to provide a differentiation base to develop their positioning. For example, Volvo has created an association between its cars and the attribute of security, whereas BMW has focused on the attribute of innovation. One of the main challenges while defining a positioning strategy through a product attribute is to identify one attribute – the risk of associating the product to several different attributes may result in a confused and not defined image – which has to be significant for a specific customer group.
2. *Intangibles*: consist in those kinds of associations where a brand makes a comparison with its competitors. Although many brands are familiar with this strategy, for example Coca Cola vs Pepsi and McDonald vs Burger King, there are several risks associated with this strategy. Firstly, innovation makes a

specification vulnerable, as there is the risk that some competitors might be ahead of the company who is using specification. Then, usually, companies who uses shouting start losing credibility after a certain amount of time, customers may start not trusting anymore the company as claims may sound conflicting. Finally, it may happen that customers are not influenced by particular specifications, as they might don't fully understand the differences among the different attributes, or their motivation might be insufficient to proceed with the purchase. Although intangible factors are harder to achieve and can present some risks, they represent one of the most effective associations to develop than other specific attributes, for example they represent a general attribute such as perceived quality or perceived value. Moreover, because of the degree of intangibility, they are more difficult to counter.

3. *Customer benefits*: usually, product attributes allow customer some benefits that create a one-to-one correspondence between the two. Whereas, the dominant association can be referred as a product attribute or as a customer benefit which can be crucial for the development of associations. There are two varieties of benefits: the rational and the psychological. If, on the one hand, the rational benefit belongs to the rational area of the decision process and is linked to a product attribute, on the other hand the psychological one is more related to the feelings involved towards the brand, that can influence the purchase process and during the consumption of the brand.
4. *Relative price*: it represents an important attribute for positioning, especially for particular product classes, as the evaluation of a brand will start by the determination of its position respect to the other price levels of brands in the same product class. With this attribute, the premium segment is appealing for many brands, due to high margins it can generate and being an area with high growth. However, to be part of the premium category brands have to offer a product or a service which can demonstrate superior perceived quality or which can deliver a status worth the premium price. For example, to achieve this goal, companies can create a brand name which recalls "premium" connotations (French and Smith, 2013).
5. *Use/application*: this approach consists in associating the brand with a use or application of the product or service. For example, one way of creating the

association with coffee as a product, is to associate it with the time of consumption with sentences such as “to start the day” or “to keep you awake during the evening”. This kind of association helps customers identifying the position of the product on a daily basis, thus influencing the purchase decision. Usually, a by-use positioning strategy is used by companies to augment the brand’s market (French and Smith, 2013).

6. *User/customer*: another approach deals between the associations of a brand and its type of final user or customer. This strategy has demonstrated not only to be effective as it can match the positioning of a brand with its segmentation strategy, but also that when identifying a brand with its target segment, is a good strategy to appeal to that segment. Although this strategy can help a firm in strengthening the relationship with its segments, when the association is very strong there is the risk that it acts as a limitation for expanding the market (Correia Loureiro, 2013).
7. *Celebrity/person*: the association between a brand and a celebrity has become more and more frequent among the integrated communications techniques and the arising of the figure of influencers through social media. Usually, the characteristics of the celebrity are the link of the association with the brand; it is thus essential that the celebrity has coherent traits with respect to the image of the brand. One of the main challenges is not only to create a trustworthy and convincing argument, but also to make customers believe in it despite similar competitive claims of other firms. One of the most known examples of associating a brand with a celebrity is the advertising realised by Nike with Michael Jordan. Nike started producing in 1984 the “Air Jordan” model, basketball shoes that used air-cushioning technology featuring patented pressurized-gas pockets in the soles, used since then to sponsors NBA games and the major official leagues. The creation of this shoe was so successful that created in the first-year sales of 100\$ million (company information). Although the “Air Jordan” model is considered to be THE basketball shoe all over the world, Nike suffered with several controversies because the “Air Jordan” line has been associated with several episodes of riots, assaults, robberies and murders, as well as different scandals because of how these shoes were manufactured. One of the ways companies can overcome the risks of associating the brand with a celebrity, is to attach the brand to a person who is not a celebrity or to create a fictional character, as it is easier

to have control over the association with a VIP person. The fictional character, as being specifically created by the company, will behave exactly with the rules set by the company, it won't age or change over time.

8. *Life-styles/personality*: another method is to create the association of a brand with a specific life-style or personality by answering the question "what kind of person would you expect the brand to be? Which personality do you think he has?". As everyone possess different personalities, brands can not only be seen by customers with different personalities as well, but they can also attach brands some of these traits.
9. *Product class*: when defining a positioning strategy, brands have to focus on the product-class association in order to best address their designated segments and to propose a clear and defined differentiation with respect to competitors.
10. *Competitors*: one of the most common strategies used by brands to set a positioning strategy is to set as frame of reference one or more of its competitors and the dominant aspect of the positioning strategy can come from the refence with the competition. Observing the competitor positioning strategy can be an useful method because, if on the one hand it may have a firm, established and clear image that has been developed over the years that can be used as a bridge to communicate another image by referring to it, on the other hand customers can better assess the value of a brand by setting as benchmark its competitor, thus underlying the differences between the two. This strategy is particularly helpful when positioning a product characteristic such as price and quality, as customers may not possess enough information to evaluate some products or services, as with the case of online banking services, referring to a competitor can improve the positioning (Correia Loureiro, 2013). There are several ways that can be used when positioning respect to a competitor, among them by using comparative advertising, which consists in naming explicitly a competitor and comparing the product characteristics. This strategy is often used by brands such Coca Cola vs Pepsi, Apple vs Samsung and McDonald vs Burger King (companies advertising channels).
11. *Country or geographic area*: the last method consists in associating a brand with a geographical origin. A country is a strong symbol, due to the links with products, people, materials and capabilities. For example, if on the one hand Germany is

associated with strong innovative automobile industry, on the other hand France share the association with high luxury fashion products. The associations that are created between a country and a brand depends on people's perception about both the brand and the country. It has been proved the existence of the so called "Country of Origin Effect" that has an important impact during the purchase decision process, not only by improving the perceived quality but also reducing the risks associated to the purchase (Piron, 2000). It is defined as the picture, the reputation, the stereotype that customers attach to products of a specific country. This image is created by such variables as representative products, national characteristics, economic and political background, history and traditions (Chattalas et al., 2008).

As the different kind of associations to a brand has been exploited, it is important to focus on the methods of measuring these associations, as they represent one of the core elements in the CBBE – Customer Based Brand Equity –model. There are three main approaches when measuring the strength of brand associations: the direct approach, the indirect approach and the scaling brand perceptions approach (French et al., 2013).

The direct approach consists in a deep interview session with different customers, who will be directly asked to answer questions expressed in similar form to "what does this brand mean to you? What are the associations that come to your mind when thinking about this brand? What are the feelings associated with this brand?". The interview can take different forms, it can be done to a single customer or it can be expressed in the form of a focus group up to 10 participants. In, on the one hand, the direct approach can provide the researcher with useful insights and with good quality information directly expressed by the customer, on the other hand, this method is not the most efficient one, as it implies quite expensive and time consuming activities (Gordon et al., 2016).

The indirect approach can be a useful technique when customers are unwilling to participate in direct interviews or when they may be contrary in revealing feelings, thoughts and attitudes, because they may consider this information as embarrassing or private. Sometimes, the reasons behind a purchase are not rational and customers may be unable to provide information because they do not know the real reason or do not possess enough the motivation for the purchase. Indirect techniques are also

called “projective methods”, because they allow customers to project himself over into a context in order to overcome the inhibitions and limitations which may arise with the employment of direct approach. These techniques do not focus directly on the brand, but on the use experience, the decision process, the brand user or other characteristics. Aaker (1991) has identified 9 different techniques to be used within the indirect approach. The first one is called “free association” and it is used when the interviewer want to overcome the inhibiting thinking process of the respondent. This technique consists in having a lists of objects, which include also brand names, and asking the respondent to provide the first set of words that come to his mind, without thinking in depth to the meaning or rationale behind the words, but to tell them spontaneously as soon as he can. Usually this techniques is used when firms want to obtain reactions to new advertising or brand names and, in order to have a qualitative evaluation of the relative importance of these associations emerged with this technic, a representative sample of the segment can be asked to rate – on a five-point scale from “fits extremely well” to “doesn’t fit well at all” – how the words that emerged fit the brand (French et al., 2013).

Then, the second technique consist in making respondents interpret a scene, presented in a photograph, in which the product or brand is playing a role. Usually, different scenarios are presented to customers so that the interviewer can obtain different interpretation. This procedure is particularly helpful when customers may be unwilling to express their feelings, because they will be explaining their point of view, but by using the characters in the scene as vehicles to communicate their own attitudes and feelings.

Another technique consists in asking customers to describe the brand as if it was a person. The interviewer will obtain useful insights from the customers’ description which can be relevant when designing the positioning strategy and defining the brand’s segment.

Moreover, customers can be asked to relate a brand with other kind of objects, such as animals, books, movies or plants. This method is particularly useful when customers present difficulties in articulating their perceptions and for improve the richness of the responses.

The fifth technique focuses on the use experience of customers with a brand instead of investigating the reasons why they are using that brand. When describing the use

experience, customers can highlight the feelings and the details they have experienced. Customers reporting their experience can help firms to gain insights about the functioning of a product or service directly by the end user, that will be part of the production of the product itself by adding its personal contribution.

Another method consists in observing customers' decision process, in order to verify the nature and the influence of brand associations.

Then, another technique focuses on the brand users, by using research questions to investigate how the user of one brand or product differ from the user of another and on what are the differences in the needs and motivations of the users of the two brands. There are different ways in which these questions can be formulated by the interviewer, one of the most common is to provide to 2 different groups of respondents a list of shopping goods, one containing the brand names and the other one without the brand names, and then at a later time they will be asked to describe the objects in details.

Additionally, among the indirect methods it is useful to mention the technique that studies what are the traits that distinguish brands from one another. One methodology consists in giving respondents two or more brands – the brands can be also taken from the familiar set which customers have – and ask them how and in what they differ. In this way, interviewers can obtain insights on the perception customers have on different brands and on what are the point of difference.

The last technique differs from the others because it consists in making respondents going beyond product attributes and focusing on personal values and the benefits brands may provide them. Specifically, personal values should represent the desired end state customers would like to obtain through the purchase and they can be orientated externally – for example a feeling of being socially accepted – or internally orientated – how customers consider themselves in terms of happiness, security and self-esteem. This technique can provide interviewers with insights about what benefits are also expecting customers by the use of a specific product, thus obtaining useful information that can be used in advertising (Keller, 1993).

The last approach consists in using scaling brand perceptions. This methodology is slighter more direct than the indirect approach, as it measures brands by considering several dimensions. The benefits of using this scaling perceptions is that they provide more objective and reliable data, which are less vulnerable to

subjectivity and, usually, obtained from a representative sample of customers. Scaling perceptions consists in determining perceptual dimensions, with the identification of the target segment while considering competitors and the presentation and interpretation of the brand profiles in order to obtain a two- or three-dimensional spatial representation of the perceptions.

Scaling brand perceptions takes into consideration the role of competitors, and interviewers have to consider the number of competitors to be considered and who they should be. Customers are seldom asked to consider which other brand they would take into consideration with respect to the one they have been interrogated (Gordon, 2016). In order to determine which are the competitors that might be relevant to consider, customers might be asked to make an association between the brand they have been investigated on and complementary products or brands so that the context of use is determined.

Scaling techniques may produce extensive quantity of data, that have to be analysed by interviewer in order to remove redundancy and identify the underlying perceptual dimensions. Conjoint analysis is a method to investigate the importance – and relative importance – that attributes have for customers when choosing a brand. By determining the relative importance of attributes, interviewers can obtain insights on what are the characteristics important for each segment. For example, considering as attributes price, quality, colour and safety for a car, customers may value more price and safety than colour (Aaker, 1991).

1.2.5 Other proprietary brand assets

The last driver to take into consideration when building brand equity differs from the above described because, if on the one hand the first 4 drivers included customers' perceptions and the set of reactions to the brand, as well as the feelings they attach to the brand – for example, loyalty customers attach to a brand –, on the other hand, the 5th driver is formed by the brand proprietary set of assets that can be expressed under different forms such as patents, trademarks, channel relationship, symbols, slogans and brand name. Brand assets are selected in order to strengthen brand awareness, to foster the formation of strong, favourable and unique brand association and to improve positive brand judgements and feelings to build brand equity (Keller et al.,2011).

Brand name is the first core indicator of the brand, the first driver to enhance brand awareness and communication efforts from a firm's strategy. Names can generate association in order to describe the brand, can act as an entry barrier for competitors the more established it is.

The choice of brand naming is a paramount step when managers have to build a brand, as it becomes very tied to products in customers' mind and it is almost impossible for marketers to change it when it has been established (Yoo et al., 2000). Among all the possible alternatives that can be used to create a brand name, there are only few alternatives that can be taken into consideration for creating an efficient and effective name.

Hoeffler (2002) has identified a guideline for the ideation of a brand name. First of all, in order to improve brand recall, the brand name should be simple and easy to pronounce and spell, in as many languages as possible. The simpler a name is, the less customers' cognitive efforts to comprehend and process it. Short names are usually easy to recall because they are easier to store in the memory and to encode. Pronunciation is an important factor to take into consideration when the brand is international, in fact the same word can be pronounced differently in many languages, for example "Coca-Cola" is an effective name as it can be easily pronounced. An easy-to-pronounce name will avoid customers' embarrassment and negative associations to it and company will have to make less marketing efforts in educating customers in how to pronounce it. Names with alliteration, assonance, consonance and rhythm are useful to improve the recallability of a brand.

Then, familiarity and meaningfulness can help in memorizing a brand. Although almost every type of objects' category can be used to create a name, concrete meaning can improve the link formation in customers' memory. To enhance the recognition of a name, it can be chosen among the product or service category, even though this might turn out to be restrictive in case of brand extensions.

Moreover, to improve the recalling of a brand, it is important that the name is different, distinctive, unique and unusual. As the recognition depends on customers' ability to discriminate between brands, choosing a distinctive and unique brand name can ease the learning of product information and also a unique sign of distinction with regards to competitors' similar products. Brand name should be memorable, but also convey broader meaning to customers, for example they can be selected in order to

communicate deeper considerations to arouse certain feelings to reinforce certain attributes or benefits.

A powerful source of a name can be obtained by metaphors, that consists in combining a word or phrase denoting one concept in place of another and, at the same time, suggesting a likeness between them.

Symbols represents the second set of items proprietary of the brands. When, among a product class, the competition is very high, it may appear to customers that products and brand are very similar one with another and differences are very small to detect. Thus, when products and symbols are difficult to differentiate, symbols become substantial elements of brand equity to distinguish the traits of a brand.

Graphic brand elements like logos have deep roots as a means to indicate the origins, the ownership and the association of a brand.

Symbols can improve brand awareness, create visive associations and facilitate the remembering of a brand in customers' mind, as it is easier to memorize through visual images than words (Luffarelli et al., 2019). The more the symbol is recognized globally, the more it become an important asset for the firm; for example, Mickey Mouse symbol or McDonald, are worldwide known and the association between the symbol and the brand is quite straightforward. Moreover, symbols can be considered a significant tool to link the brand name with its product class.

Symbols can vary from corporate names or trademarks – for example written word logos – or they may be unrelated to the word mark or corporate activities, moreover they can be expressed according to several different forms (Whan Park et al., 2013), they can be: geometrical forms such as for example the yellow rectangle by National Geographic, objects such as Hermès carriage logo, packages such as the famous Campbell Soup, scenes with the Marlboro country, cartoon characters such as Mario Bros and, finally, logos can take people's shape, such as Karl Lagerfeld.

Symbols and logos can provide different ways to change customer's associations and meanings of a company. Indeed, it has been proven that exposure in advertising improves brand recognition and impacts positively brand attitudes (Bo van Grinsven et al., 2016).

When logos and symbols are easy to recognize, they can provide useful means in order to identify products if they are linked in customers' memory to the corresponding brand name and product to strengthen brand recalling as it may

happen that logos and symbols are recognized, but customers are not able to link them with the correct specific brand. Logos and symbols can be significant to service companies because of their intangibility and abstract nature (Keller et al., 2011) in order to transmit messages of strength (for example the stallion for Lloyds TSB) and security (for example the pillars of Allianz). If, on the one hand, names cannot be easily changed, on the other hand logos can be modified and updated in order to be up to date with contemporary graphic styles and guidelines and, at the same time, retaining the heritage. However, the changes must be done gradually in order for customer to accept them and to help them the memorization and for companies in order not to lose the meaning – and consequently the equity – they have attached over the years to logos.

Symbols can help companies in communicating associations and specific attributes because conveying characteristics and information is easier if it is associated to visual messages (Bo van Grinsven et al., 2016). In order to convey positive, warm and memorable messages to improve the general sense of liking toward a brand, firms usually create symbols that are represented by cartoon characters, which tend to be more rememberable and deliver stronger associations. This result is obtained because of the “affect transfer effect” (Keller et al., 2011), meaning that people usually tend to transfer feelings of affect and liking from one object to another when the first one is perceived to be connected or related to it meaningfully.

As the competition among some product classes can be very high, it is important for firms to create symbols that are unique in the form, so that it is unlikely for competitive firms to create a similar symbol, and for customers so that it is capable of delivering unique associations with that brand and thus, improving brand’s equity. Symbols and associations need to be protected over the evolution of the company and firms should design strategies that aim at not jeopardizing the associations a symbol has created in time (Aaker 1991); if, on the one hand, licensing a logo can be a means to improve a brand’s exposure, on the other hand, a wrong strategy, or overexposure, may affect its equity.

Slogans are the penultimate category among the set of proprietary brand assets of a firm that aims at enhancing brand equity. They consist in short phrases created to communicate descriptive or persuasive information about a brand, usually designed to appear in advertising, as well as on packaging and other channels. Slogan,

unlike names and logos, can be tailored to a positioning strategy, enhancing brand equity efficiently as they can sum up and convey the intent of a marketing campaign through a sentence (Abdi et al., 2013).

Slogans can have the function of helping customers better understand what the brand is and what does that differentiate it from competitors and erase potential ambiguity from the name and the symbol.

There are several ways in which slogans can improve the creation of brand equity. First, slogans enhance brand awareness by creating strong links between the brand and the correspondent product category. Moreover, slogans can enhance the brand's positioning strategy by highlighting the points of difference between brands. One of the most renowned slogans that became tied to an advertising campaign is the one from De Beer that enunciates "A diamond is forever". The intention of this advertising was to spread the idea that diamonds bring eternal love and romance, without ever losing value (Dahlèn et al., 2005).

Slogans can convey meaning that can be product-related or non-product-related, depending on the aim of the campaign. They are product-related when the campaign is specifically designed to communicate the existence of a new product or to recall existing ones, whereas non-product-related slogans are created to enhance brand awareness and can refer, for example, to users in order to improve overall brand image. For example, Nike has designed, through the years, different product-related campaigns with slogans that enunciated "What are you getting ready for?" and "Why sport?", whereas "Just do it" represents the overall brand slogan (Keller et al., 2011). Some slogan can become over the years strongly linked to the brand, thus making it difficult for companies to introduce new ones. However, such a high level of recognition can represent for brand a negative side, as the sentences are so overexposed to customers that they lose the meaning attached to the product or to the brand and, although still contributing in the building of brand equity, they become only a reminder of the brand. Moreover, there is the risk that the slogan continues in conveying the product-related message although the brand no longer needs it. In this case, the slogan can become restrictive and a challenge for firms that would want to communicate new associations (Abdi et al., 2013).

When a slogan needs to be updated, there are some elements that firms should try to consider. First, it is important to assess whether the slogan is contributing in

enhancing brand equity through brand awareness. In this way, then, firms should evaluate how much of the equity that has been created through the slogan needs to be retained. Finally, although the new slogan should generate new meaning and associations, firms should preserve the association and the equity that has been created with the previous slogans.

Moreover, jingles represent another element that is owned by brands and that can contribute in enhancing brand equity. Jingles consists in communicating messages, about the brand or linked to an advertising, through music. They can be classified as a brand element because they are usually part of slogans and, because of their musical nature, they cannot be transferred as easily as others brand's elements. They are usually created by professional songwriters in order to enhance the likelihood that they are retained in customers' mind as much as possible. Jingles became significant advertising tools during the first half of twentieth century because at the time commercials were mainly transmitted via radio channels (Taylor, 2015). The associations that jingles might arise in customers' mind are usually related to the sphere of personality, feelings and other intangible elements. They represent one of the most efficient tools in order to enhance brand awareness, as it is easier for customer to remember them than written messages because they usually enunciate the brand name in funny and amusing ways, that allow customers to encode the message communicated. Well-known jingles can provide foundation for advertising for many years, as for example the famous McDonald jingle and slogan "I'm loving it" (Keller et al., 2011).

Finally, packaging has long roots in history. Egyptians used to create glass container almost 4,000 years ago and the French emperor Napoleon was the first one to introduce tinned food as a way for preserving food (Keller et al., 2011).

Packaging plays an important role, both for customers and firms: they provide brand identification, they communicate descriptive and persuasive information, they are a form of protection for goods during the distribution process, they help customers in storing products in their houses as well sellers in stores and finally they can enhance product consumption (Aaker, 1991).

The aesthetic and functional elements of packaging are significant tools for brands to satisfy customers desires and to achieve marketing goals. The graphic, the colour, the material, the size, the text and the shape are important considerations to be made in

order to make a product look more appealing to customer's eyes, especially in product classes where the competition is very high, as for example mass retailers. Packaging at the point of sales can represent a significant tool for having a strong appeal on the shelf and to stand out from competitors. Packages must not only be catchy at customers' eyes, but they also must have a functional structure design in order to protect product characteristics.

Packages can contribute in the creation of strong brand association and brand recognition because customers relate with the look of the brand. For example, by asking to customers to think about Becks beer, most of them will make an association with "green bottle". Moreover, the information communicated by the packaging can improve the creation of valuable brand associations.

1.3. Customer-Based Brand Equity Pyramid Model

According to the CBBE model a strong brand is built through the succession of sequential steps. Each step is meant to reach defined goals with a firm's existing and potential customers.

There are 4 main steps meant to be followed according to Keller (2011):

1. Determine the brand with customers and create the association in customer's mind between the brand and a precise product class or customer need. This step investigates who the brand is to identify the brand identity.
2. Define the overall brand meaning in customers' mind by creating a strategy which links several tangible and intangible brand associations to unique properties. This step focuses on what the brand is to identify the brand meaning.
3. Obtain the correct customer responses to the brand identification and brand meaning. This step analyses customer's questions about what they feel and think about a specific brand to determine customers' responses.
4. Translate brand response into an intense and active loyalty relationship between the brand and its customers. The last step investigates on the connection between the brand and its customers to determine the relationship between them and what kind of associations they generate.

The CBBE model establishes 6 sequential "brand building blocks", expressed through a pyramid, with customers to be followed for the creation of a strong brand equity (Keller et al., 2011). The creation of brand equity will be achieved when the top of the

pyramid has been reached, meaning that a firm will have to follow each building block – or step of the pyramid – correctly.

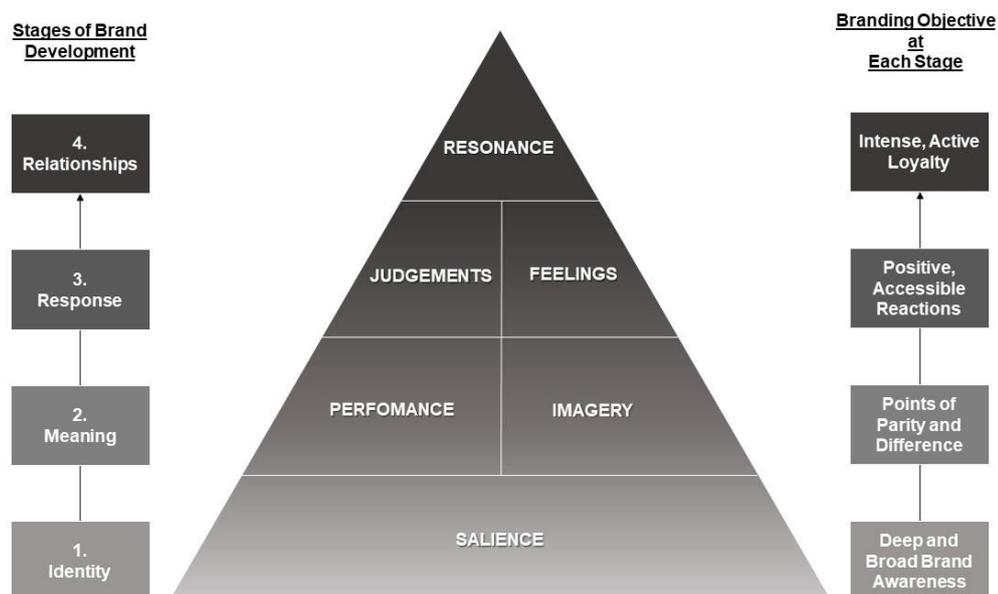


Figure 1.2 - Customer-Based Brand Equity pyramid by Kevin Lane Keller

The first step of brand development pyramid corresponds to achieving the right brand identity through the creation of brand salience with customers. Pursuing brand identity means being able to answer the question “Who are you?” (Madhavaram et al., 2005). Brand salience focuses on the brand awareness elements, such as brand recognition and brand recall and studies how persuasive the strategy for improving a brand’s awareness is. Creating brand awareness involves the creation of a link among brand elements, product category, associated purchase and use situation. Brand awareness can be developed by firms in depth and breadth. If, on the one hand the first one describes the likelihood that a brand element will be evoked by customers and how easily it does so, on the other hand, the second element describes the ranges of purchase and usage occasions in which the brand elements are recalled.

Brand awareness breadth is related to various elements and it is important to consider how product category has an influence in the memorization of the brand in customer’s mind. Typically, products are organised at different levels of specificity and can be structured in a hierarchical framework. For this reason, usually, this structure is transferred in customers memory and they associate to the highest level to product class information, followed by product category, product type information

and brand information at the lowest level. The structure of the product hierarchy that generally prevails in customers mind plays an important role during a customer's decision-making process. Product hierarchy class can have significant implications when a brand is defining a positioning strategy and wants to enhance its brand awareness. In fact, not only a brand has to belong to the "top-of-mind" category for the highest number of customers, it has also to be able to create the right associations so that the brand is always in customer's consideration set and the situations in which customers would consider using that particular brand.

A salient brand would be the one that has developed both depth and breadth of brand awareness, so that the brand is considered across a variety of settings and usage occasions (Keller et al., 2011).

Thus, the objectives for brands at this stage are to improve and spread the levels of brand awareness.

The second step of the pyramid to analyse is occupied by brand performance and brand imagery, corresponding to the second objective of brand development that consists in the creation of the brand meaning. Brand meaning focuses on establishing brand image and on what the brand is characterized by in customers' mind and is formed by two categories of associations in customer's mind: brand imagery and brand performance. Brand performance consists in measuring the ways in which products or services meet customers' functional needs and the intrinsic properties of the brand linked with product characteristics. Brand performance can be assessed through 5 types of attributes and benefits: the primary ingredients and supplementary features of a product or service, the extent to which a product can be considered reliable, durable and serviceable, the degree of effectiveness, efficiency and empathy of a product, the style and the design of a product and, lastly, its price. Customers perceptions about these attributes can be affected by several factors and depend on many circumstances, as for example speed, and product quality. Moreover, customers usually attach to product associations that are not only related to product features but can depend on feelings and personal emotions linked to the consumption of that product.

Finally, price can have an influence on customers' perceptions on a brand performance, depending how customers categorize a brand's price and how flexible the firm's pricing strategy is (De Paula, 2017).

The second element of brand meaning is provided by brand imagery. Brand imagery assesses the extrinsic properties of a product or service and the extent to which it accomplishes customers' psychological or social needs, it is related to the abstract thinking of the brand and its abstract traits. These associations can be created directly – through customers' direct experiences and exposure to the brand – or indirectly – when customers are exposed to the brand via advertising or other channels of information (Keller et al., 2011). There are 4 classifications of imagery associations: the user profile (i.e. what does the typical people that uses the brand look like, what are its demographic characteristics), the shopping and use situations (analyses of where the brand is bought or used, through which channel the purchase is made, when during the day), personality and values (which personality the brand reflects? Is it more modern or traditional? What are the values customers attach to it? Advertising can have influence on the creation of brand values) and heritage, history and experiences (Madhavaram et al., 2005).

The objectives for brand at this stage are to set clearly the points of difference and points of parity with the competitors, to enhance the brand awareness and contribute in the creation of brand equity.

The third step of the pyramid is occupied by the judgements and feelings customers have towards a brand, here the stage of brand development is the response, which is how a firm responds to those feelings and judgements.

Brand judgments are customers opinions and evaluation towards a brand, which are formed by the sum of all the different performance and imagery associated to a brand. Judgements can vary in form and in content, but significant ones usually comprehend judgements on: quality (attitudes towards a brand usually depend on the attributes and benefits of a brand which derive from the perceived quality customers attach to a brand), credibility (in a brand assesses how competent and innovative a brand is and how well it meets customers' need in terms of trustworthiness), consideration and superiority (if, on the one hand credibility describes the probability that customers will include that brand in the set of possible options to include in their consideration set, on the other hand superiority deals with customers considering a brand unique in relation to competitors).

The second element of brand response deals with brand feelings. They are customer personal responses and reactions towards the brand. Feelings can be deeply

influenced before the product is used through advertising or during the consumption through packaging and in-store communication (Madhavaram et al., 2005). For example, transformational advertising is specifically designed to influence customers' perceptions about products. Keller (2011) has identified 6 different kind of brand-building feelings: warmth (when a brand is able to create smooth feelings in customers and make them feel affection towards it), fun (the brand makes customers amuse and cheerful), excitement (customers, after having experienced the brand, feel unique and special), security (customers feels safe and comfortable, they don't perceive risks or fears), social approval (the aim of the purchase might be linked to the need of being socially approved and accepted by others) and self-respect (customers feel positive after having purchased the product and a sense of pride is evoked).

The objectives for brand at this stage are to enhance the creation of positive and accessible reactions.

The final step of the CBBE model – the top of the pyramid – is occupied by brand resonance and deals with the stage of creation and focus on the improvement of a brand's relationship with its customers. Brand resonance focuses on the nature of this relationship and how it is perceived by customers. It can be analysed according to its depth – the level of bond that the brand has developed with its customers – and its intensity – how the level of this bond influences customer actions in time.

Resonance can be assessed with 4 categories (Keller et al., 2011): behavioural loyalty (describes the amount of repeated purchases for one brand by a customer and the amount of times which that brand is bought among the product category), attitudinal attachment (describes the sense of belonging to a brand certain customers demonstrate, it can be expressed through word of mouth or referral), sense of community (sometimes brand don't merely represent only a way to satisfy a need through a purchase, they can have deep meanings for customer and some of them may find an identification with a community, that is a common feeling of positivity and social acceptance among a group of users of the same brand) and active engagement (represents the highest level of loyalty and it occurs when customers participate actively in a brand's life by investing time and energies that are not purchase-related, they become ambassador of the brand by helping it enhancing its awareness).

CBBE model is a significant blueprint for companies that want to keep their progress on track and, at the same, it provides marketers a guide for future initiatives. This model analyses the strength of a brand through assessing customers' thought about him, their feelings and their reaction to it. This to emphasize that the strongest brands are those with a customer base with high level of loyalty and awareness and that is through customers that brands evolve during time. Building a strong brand with a developed brand equity is long and challenging task. The length of time it takes to create a strong brand is directly proportional

1.4. Designing the Marketing Mix to Build Brand Equity

Companies and markets are affected by economical, technological, political-governmental and sociocultural changes and, in order to cope with them, new approaches to the market and brand management have been designed (Keller et. al, 2011). Nowadays, there are many different ways in which marketing campaigns can be designed in order to achieve brand equity (Madhavaram et al., 2005). The CBBE provides a basis for creating effective marketing campaign that aim at creating awareness and strength, favourability and uniqueness of brand associations. From this point, the strategy to be designed by marketers should consider using several means in order to achieve knowledge structures in customers' mind.

Integrated marketing communications through the CBBE model highlight the concept of contact, that is any kind of information bearing experience that customers have with the brand, its product category and or market which connects to the brand's product (Keller et al., 2011). For example, a contact can be achieved through friends and neighbours' advices, television or online communications, direct experience in the shop.

With the evolution of the internet and digital communications, personalized marketing has expanded more and more (Madhavaram et al., 2005). Personalized marketing comprehends: experiential marketing, one-to-one marketing and permission marketing (Keller et al., 2011).

Experiential marketing consists in in communicating a product through unique and interesting experiences instead of enunciating its benefits and features. There 5 kind of experiences – sensing, feeling, thinking, acting and relating – that can be used to implement marketing campaigns to improve customers' perception of the brand.

One-to-one marketing focuses on adding value by providing information to firms, which, in turn, take that piece of information to idealise and create unique experiences for customers. It concentrates on treating each customer differently, according to his specific needs and the value he has for the firm. For example, Ritz-Carlton has a database where customers' preferences are stored, so that his preferences will be automatically registered in each one of its hotels, to offer him a solution wherever he is.

Permission marketing consists in marketing customers only after having obtained their explicit permission to build loyalty. The aim of permission marketing is to develop a deeper relationship with clients by behaving differently in terms of quantity of communications and concentrating on the cooperation between marketers and the firm, a communication that is anticipated, personal and appropriate (Keller et al., 2011). It is usually achieved through 5 steps: firstly, marketer should offer potential customer a motive to volunteer, then transmit knowledge in customers about the product and reinforce the motive so that the customers will continue with allowing the permission, then marketers should offer additional motives to obtain further permissions and, lastly, they should over time transform customer's permission into useful data to generate profits. One of the main challenges of permission marketing, however, is that most of times customers are not fully aware of their preferences and motivations or they might be unable to express them, making it difficult to track their orientation.

CBBE model focuses on personalised marketing campaigns because they enhance the creation of brand loyalty and brand association, which improve brand equity.

The first element of the marketing mix analysed through the CBBE model is the product, which is the first point of contact customers have with the brand.

In order to develop in customers' mind strong and unique associations, the necessary condition is that a product must be designed and delivered in order to fulfil customers' needs. Furthermore, in order to set the basis for brand loyalty, customers' expectations about the product should be surpassed. Perceived quality is a measure of how customers sense a product overall quality and can have an influence on their expectations towards the brand.

Perceived quality, as noted earlier, does not depend only by physical attributes and benefits of products. It also depends on intangibles characteristics of the brand, such as, for example, speed and accuracy in the delivery, experience at the customer care. The CBBE premises that customers are a long term and significant key element for the success of a firm. For this reason, relationship marketing is an important trait when defining product strategy under the CBBE model.

The advent of the digital area enabled companies to offer mass customization at a lower price and time than before, thus meeting customer's need for individuality through basic purchases. If, on the hand, mass customization can enhance the feeling of being unique and different in customers' mind, on the other hand it also provides benefits to suppliers. In fact, there is a reduction of costs in the inventory, a decrease in the expenses for warehouses and on the collection of important data about customers' preferences. Moreover, mass customization ca also be applied to e-commerce purchases such as electronics, clothing and jewellery (Keller et al., 2011). In addition, in order to improve brand equity, product strategies should be more focused on the implementation of after marketing activities, which comprehend all the activities that occur after the purchase process (Lassar, 1995). After marketing comprehends also the selling of related products to enhance the value of the core product.

Frequency marketing has been designed by marketers to create loyalty schemes strategies with customers. Loyalty schemes consists in activities such as specialized services, newsletter, premiums and incentives.

In order to achieve brand equity, product strategies should be designed so that unique and strong associations will be created in customers' mind before, during and after the purchase (Keller et al., 2011).

Price is the second element of the marketing mix to be designed by a brand in order to develop brand equity. Pricing strategies enhance the associations in customers' mind among the target price and they have influence on price volatility or variance and help customers' categorizing the product's price (Yoo et al., 2000).

Customers' associations and perceptions of a product quality can influence their awareness on price. If, on the one hand, customers' price idea should be higher than the actual cost from the firm to produce a product, on the other hand, customers are more willing to pay a premium price when they perceive a brand as a strong one.

When defining the pricing strategy under the CBBE model, firms should ideate a model of how the actual prices are set and, at the same time, a set of guidelines for promotions and discounts over time. Each pricing strategy will change according to the aims of the firm, of the product to be sold and the target. There are, however, some strategies that improve brand equity. The first strategy is value pricing, that consists in setting a price that creates the price according to the value that a product has, by combining product quality, production costs, firm's profits aims and customers willingness to pay (Keller et al, 2011). One of the main challenges in defining a price that reflect the value of a product is that it depends on many factors. The best strategy would be to set a value price that considers the product design and its delivery, the costs that the firm has to sustain in its productions and the prices perceptions by customers in the product category. The first element to improve product value, product design, can allow firm to set a premium price through the introduction and progress of value-added products. The second element is connected with the production costs, that should be lowered as much as possible by meeting costs target through improving productivity, outsourcing some activities, substitute expensive materials with less expensive and improvement in product reformulations and process changes. By decreasing costs, firms can invest in improving the efficiency and in making a brand stronger. Finally, the last element for designing price value is assessing the nature and shape of customers' price perceptions around price in order to understand their willingness to pay for a premium price. One of the most used techniques consists in asking customers how much they would value a product and take that value as a starting point (Lassar, 1995).

According to the CBBE model, customers should perceive the price as appropriate and reasonable compared to the benefits and attributes it conveys.

Although everyday low pricing strategies are becoming more and more usual, the risks associated to them within the CBBE model are several. Among those, marketing expenses in building a strong brand image will not be coherent with the quality – both perceived and real – of the product, thus creating in customers' mind associations linked to poor quality products.

Firms should design pricing strategies both in the short and in the long run and adjust them by taking in considerations customers' evolving perceptions.

The third element of the marketing mix that will be analysed in this section will consider the channel distributions strategies within the CBBE model.

Products can be distributed for the selling process through marketing channels, that are a bundle of independent organisation involved in process of making a product available for the usage. Channels can be classified in direct channels and indirect channels. Direct channels are organized and managed by the manufacturer itself and allow customers to buy goods directly from the manufacturer, without any agent, distributor, wholesaler and retailer. If, on the hand, direct selling can be difficult to manage on a large scale, on the other one it often allows the manufacturer to have a better connection to its customer base. Whereas indirect channels involve intermediaries to perform the greatest part of distribution functions, otherwise known as wholesale distribution (Keller et al., 2011).

Although indirect channels involve high numbers of third parties, retailers usually have better accesses with customers because they are more visible and structured, thus they have more opportunities of influencing brand equity. Retailers can have an influence on brand equity both on their side – they will try to create strong and unique associations with their own shop through the brands they sell – and for the brands they sell – by providing, for example, additional services to products and after sale assistance, as well the stocking and displaying product in store (Yoo et al., 2000).

Because of the high number of competitors in retail stores, especially for shelf space, many retailers complained to be undifferentiated and their power over manufacturers has increased a lot (Keller et al, 2011).

The services provided in the different channels can improve the brand equity creation, the cooperation between retailers and brand is crucial. As with the case of retail segmentation, producers can assist retailers in the marketing and merchandising campaign to promote the selling. As there are various kind of retailers, which are different one to another, firms should define segments within the retailers in order to design individual marketing campaign.

Moreover, co-operate advertising is another means of cooperation between brand and retailers. Firms should assist retailers in the designing and implementation of advertising campaigns in order to increase the support firms give to retailers. In this brand image communicated through advertising is more controlled and can be directly managed by the brand rather the retailer owner.

According to the CBBE model, the creation of unique brand association comes also from a coherent image between the brand and the points of contact it shares with customers.

The fourth and last element of the marketing mix – promotion – will be examined in depth in the second chapter of this thesis, as it comprehends cause-related marketing strategies.

CHAPTER 2 – CAUSE-RELATED MARKETING

2.1. Promotion in Integrated Marketing Communication strategies

Promotion is the fourth and last element of the marketing mix and includes all the different strategies firms design to inform, persuade and make customers remember about their brand.

Marketing communications represent one of the ways through which firms create and establish a dialogue with customers, although advertising is not the only tool to build brand equity.

There are various kinds of marketing communications techniques which can be implemented by firms according to the goal that has to be reached, for example an increment in sales, in the brand awareness or reaching new customers. According to the CBBE model marketing communications help enhance the brand equity creation by improving the awareness of the brand, highlighting the points of parity and those of difference in customer's memory, creating positive judgements and associations and encouraging stronger connections for brand resonance.

Effective communication provides firms with the enhancing of the brand awareness and improves positive brand image, which functions as triggers for the differentiated responses customers give to different marketing strategies that form brand equity (Madhavaram et al., 2005).

Integrated Marketing Communication – often known under the IMC acronym – is defined as a combination of processes that include planning, developing, executing and evaluating coordinated, measurable, persuasive brand communication that are developed over time together with customers, employees, associates and other firm's internal and external relevant targets (Madhavaram et al., 2005). Integrating marketing communications has been proven to be a significant strategic tool that can help firms in realizing more effectively their communication goal and it has started developing thanks to the technology advancements that have been made that have put into practice the idea of developing a different kind of communication (Keller et al., 2011). It has changed from being a “one voice” channel approach to a more strategic and customer-oriented approach.

Since the development of new media tools, the way through which companies can deliver and promote their image has significantly changed. In fact, traditional media communication channels such as television, radio, magazines and newspaper often appear less intriguing for customers. Companies have started changing the overall investments for advertising: from TV advertising to digital video streaming platforms such as Netflix and YouTube, from radio to platforms for music streaming such as Spotify (Šerić, 2017). Paid search services such as Google and Yahoo are becoming an important part of the digital industry. A shift in the habits has been registered not only for what concerns companies' side, but also from customers' point of view. In fact, they are creating and sharing online content through communities and blogs, as well as new apps, such as TripAdvisor, for word-of-mouth and reviews have taken significant importance lately (Keller, 2009). Moreover, due to the amount of information now accessible through social networks, companies are shifting brand networks (Keller, 2009).

According to Keller (2009), there are 8 ways through which the marketing communication mix of a company can be achieved through IMC:

1. *Advertising*: it can be defined as any kind of paid form of non-personal presentation and promotion of goods, ideas and services by a clear and identified sponsor (Keller et al., 2011). By analysing advertising under the brand equity perspective, it can be easily identified as one of the main sources for creating strong, favourable and unique brand associations in customer's mind, as well as enhancing the creation of positive judgements and feelings towards the brand.

Designing advertising is not an easy challenge for companies, that have to consider the strategic role it might play, the goal to be reached (for example, an increment in the level of sales or an increment in the level of awareness?) and the channel to be used. First of all, television is one of the most powerful medium because it gives companies the possibility to reach a broad spectrum of customers and to spread a message through sight, motion and sound. According to the customer-based brand equity model this channel is important for two reasons. Firstly, it can be an efficient way of demonstrating the product and its attributes and give customers information to the relative benefits it can provide. Secondly, through television advertising companies

can easily depict the product use, the usage imagery associated with the product, the brand personality and other intangible brand's associations.

Although the transmission of an advertising through television provide companies with different positive sides, there are some challenges that have to be faced. As the number of existing tv channel becomes larger and larger, the probability that customer during the advertising switch to another channel improves. Moreover, creating tv advertisement remains one of the most expensive, with high costs for the production and the for the streaming in different channels.

Nevertheless, companies who manage to create remarkable, famous and particular spots can be easily remembered through the years. One of the most known advertising was the one designed by Apple for the first Macintosh computer, in which there was a stark Orwellian future film featured, that was streamed on Tv only once but remains one of the most worldwide famous advertising ever realised (Company information, Apple.com).

While designing an advertising campaign, it is important to take into consideration two different aspects. First, companies should focus on the message strategy or positioning objective the advertising should deliver and, secondly, companies should plan the creative strategy to be associated with it, that comprehends how the advertising should be displayed and what should be the expressed though the brand claims. Companies should plan the correct advertising strategy that maximizes brand equity through the proper positioning definition and identify which is the best suitable creative strategy they want to communicate or convey to the desired positioning.

An advertising can be defined effective if it has a contribute on brand equity through enhancing brand awareness, improving or adding one brand association and enhancing the positive feelings associated through a brand.

One of the main challenges that this kind of advertising will have to face are its development with the advent of the digital area, although It has been proven that it will remain a crucial tool in order to communicate with mass audience (Šerić et al., 2014).

Advertising can be also promoted through radio and printed materials.

2. *Sales promotion*: concerns several activities developed by brands to promote the trial and the shopping of a good or service and it can be applied both to B2B and B2C customers.

Sales promotion differs from advertising strategies because, if on the one hand, the first ones are designed to enhance brand awareness and provides customers with a reason for purchasing the product, on the other hand, the second one are designed in order to give customers an incentive to buy the products.

Sales promotions have the goals of influencing the behaviour of retailers in order to have the brand stocked and influencing customer behaviour in order to have them buying the product for the first time or for giving them an incentive to buy the product several times (Keller et al., 2011).

There are two typologies of sales promotions: customer promotions and trade promotions. Customer promotions are specifically designed in order to influence the choice, the quantity or the timing in customers' purchase process. Customer sales promotion can then be divided in customer franchise-building promotions – through samples, to boost the creation of brand associations and enhance the word of mouth, demonstrations of product usage and informative materials – with the goal of enhancing their loyalty and behaviours and non-customer franchise-building promotions – through price-off packages, premium and refund offers. On the contrary, trade promotions are reached through financial incentives or discounts dedicated to retailers and distributors in order to stock and display the product, for example in displays in point of sales. When retailers decide to shelf a given product it is important that the location inside the point of sales is defined, as they should be seen by customers, for example if a product is positioned in shelves at eye level, the product will probably be the most sold. Trade promotions represent an efficient way to reach and influence customers during the purchasing process, but they represent an expensive cost for companies.

3. *Event marketing, sponsorship and experiences*: consist in companies sponsoring public or private events related to sports, art, entertainment and social causes. Events marketing and sponsorship are the basis of the

development of cause-related marketing and according to Keller (2011), the interest of companies in event marketing and sponsorship, grew significantly over the years from \$16.8 billion globally in 2011 to \$34.2 billion in 2006.

In the designed integrated marketing communications, marketers have to take under consideration the reasons for building and event or participating in a sponsorship and which one represent the best fit for the company.

First of all, companies should identify the target or the lifestyle to be addressed, in fact companies can choose a small and selected target of customers or a broader group, by filtering them according to the geographic area, their demography and behaviours. Specifically, events can be designed according to participants attitudes towards and usage of brands. For example, Rolex has been the official timekeeper of the Wimbledon tennis tournament and Biennale di Venezia because it represented a good fit between the brand's values and the images of the two events¹. Then, companies should focus on the goal of the sponsorship, if it is designed to increase the general awareness or the product name, as sponsorship and events are usually a significant occasion to give the brand exposure to enhance the brand recognition. When deciding the attendance to an event, companies should reflect on the possible brand recalling that can be associated with a particular product. Another reason why brands should decide which sponsorship to embrace is that it can help in the creation and the reinforcing of customers' perceptions with the brand image associations. For example, a class of product can be used as the core of the event in order to create the associations between the brands and the products, by enhancing the values that they represent. Sponsorship can also represent a significant way in order to enhance corporate image and improve customer's perception. Together with events it can also represent a tool for designing experiential marketing campaigns, that improve the creation of associations in customers' mind and an increase in the brand awareness. Cause-related marketing and event sponsorship are useful to express the commitment to the community or one social issue. For example, American Express is one of those companies who embraced most cause-

¹ <https://www.rolex.com/it/world-of-rolex/architecture.html>

related marketing campaigns and sponsorship, with more than 70 causes in 18 different countries and \$5.9 million donated between 1981 to 1986 to support different cause, from animal preservation in Norway, to the protection of a coastline in Italy. High luxury fashion companies often use event marketing as a reward for top clients – to enhance the loyalty and retain them – or employees, to increase the feeling of belonging and improve the team building. Finally, event marketing can create opportunities in promotional merchandising.

4. *Public relations and publicity*: they comprehend all the activities designed by a company to promote and protect the company's image and its individual products. Publicity is formed by the non-personal communications that are expressed under the form of press releases and conferences, media interviews, articles on newspaper, as well as on social media and on blogs, whereas public relations are all the activities that connect the companies and his employees with the external public and stakeholders, for example membership drives, annual reports, fundraising, public affairs and event management. Public relations have acquired during the years more and more significance for companies, as they represent a significant help in defending and endorsing the company image during a crisis. Public relations have the goal of establishing credibility and building awareness and are seen by customers as an objective third-party endorsement (Ehrlich et al., 2012).
5. *Direct marketing*: it involves the use of mails, telephone, fax, emails or Internet and has as goal the one to communicate through with or solicit a response from specific customers and prospects. One of the most popular way of achieving direct marketing is through infomercials, which tries to mix the "selling" part of all commercials with the informative and educational side. Although they can vary in form and length, they usually last 30 minutes and are very expensive to produce, in fact the cost can vary from \$171,000 to \$342,000 (Keller et al., 2013). It can be considered one of the most expensive as it has outgrown every media spending category, with a growth due to the advance in technology, a change in customer behaviour and the needs of marketers.

One of its main advantages is that it improves the establishment of the relationship with customers by marketers, as it allows a deeper kind of communication between them, deeper insights about the development of brands over time and, in addition, customers have the possibility to provide feedbacks, providing companies with precious and rich insights about what customers truly like or dislike.

The main goal of direct marketing is to obtain some specific behaviours from customers and, in order to achieve this goal, companies should follow some key rules such as elaborate a contemporary and informative list of current and potential future customers, establishing the correct offer at the appropriate time and develop a model – through the use of marketing data base, where information about customers and their attitude are stored – to measure the effectiveness of the marketing campaign.

6. *Interactive marketing*: consists in communicating through the use of on-line activities and programs that are specifically created to engage customers – or potential future customers – to raise – directly or indirectly – awareness, improve the brand image or enhance the sales of the product or the service.

There are 3 main brand-building tools: websites, interactive advertising and mobile marketing.

Websites are an inexpensive, creative and customized tools for advertising. Thanks to their interactive nature, websites can be built so that customer chooses the brand relevant information according to his needs. Websites, in order to deliver trustworthy information and to retain customers, should be updated frequently and they should offer the customized information as much as possible. According to a study of recent customers' habits, the most successful websites are those which are able to communicate expertise in a customer-relevant area and that can store, at the same time, significant company and product information such as press releases, advertising and promotional information (Anabila, 2019). When planning the creation of a website, design plays a crucial role. In fact, it is important that users perceive as if they have just landed a brand new, cohesive world that requires different pages and areas, fully and coherently integrated with colours, design and placement. If the design of a website doesn't provide customers with a good

experience, they might not visit that website another time. One of the main challenges for the next years of online advertising will be to find the right balance between offering entertaining – thanks to the improvements in audio and video technology – to customers and, at the same time, being able to communicate efficiently the desired information (Šerić et al., 2014).

Online ads are a marketing strategy that involves the use of the Internet as a medium to obtain website traffic and target with the aim of delivering marketing messages to the right group of customers. Online advertising is geared toward defining markets through unique and useful applications. They offer marketers several advantages, such as the possibility to track which advertising has had an effect on the improvements of sales, it doesn't interrupt customers while they are visiting a websites and it can be an useful tool to target customer so that only the right group of prospects are contacted. Although the positive side of online ads, it is useful to mention also the disadvantages. If, on the one hand, online ads should not interrupt customers during the browsing, it happens very often that the ads are actually blocking most of the view of the website, thus making it easier for customers to ignore them and feel frustrated (Šerić et al., 2014). In addition, it has been notated that during the period from 1995 to 2001, the click through rate for banners decreased from 40% to 0.5% (Keller et al., 2011). Marketers are striving to create online ads that closer and closer to traditional advertising in order to have an attention improvement from customers and to create story they want to follow. For example, BMW created a series of mini films made-for-the-web with film directors such as Guy Ritchie and actors such as Madonna to promote their cars and arise the interest from people (Keller et al., 2011).

Mobile marketing is playing a crucial role in the planning of a communication strategy. The investments in mobile marketing has grown rapidly in the latest years and mobile content owners are concentrating communication strategies mainly through mobiles and social networks, such as Instagram and Facebook (Anabila, 2019). Mobile phone represents unique opportunities for marketers, as they have become an essential part of customers' life and have entered everyday habits. The sectors which are investing significantly in mobile advertising are fashion, packaged goods, travel and financial services, because

it represents a cost-effective strategy and a strategic tool to offer interaction, with the aim of obtaining ready-to-use data about advertising campaigns and distribution strategies.

7. *Word-of-mouth marketing*: corresponds to the intentional influencing of customer-to-customer communications that can be transmitted from people-to-people, orally or by written and electronic communications which are connected to the merits and experiences that derive from the purchase and use of that specific good or service. It can be seen as a strategic alternative to traditional advertising and it is considered appealing by marketers because it mixes the prospect of overcoming customer resistance with significant low cost and fast delivery results, considering now the development that has been made through the Internet.

In fact, Internet provides significant tools for customers that want to share their opinion, their preferences among them and also companies can use some of the advantages that WOM (Word Of Mouth) offers. According to some researches, customers are more willing to rely on others' opinion when making a purchase, depending on the motivation that lead different people to share their idea about a product or a service with WOM communications. This researches also reported that customers appear more willing to purchase a product recommended by other customers, are considered more long-term value for firms instead of the customers acquired through traditional advertising (Trusov et al., 2009).

Moreover, social contagion models affirm that through WOM networks, the behaviour of customers reflects more changes during time (Kozinets et al., 2010).

Companies can observe the effectiveness of WOM communication' strategies through the Internet online conversation among customers, this represents a cost-effective strategy and an easy way to track their opinions. For example, some companies use book reviews posted on Amazon to detect WOM among customers and one of the findings revealed that although most reviews were positive, an increase in positive reviews lead to an increase in relative sales and, on the contrary, one single negative review lead to a greater decrease in

the level of sales, thus having more impact than positive opinions (Kozinets et al., 2010).

WOM has been recognized by sociologists and companies a natural phenomenon that can have an influence on the majority of all purchase decision.

Word of mouth communications can take several forms (Kozinets et al., 2010). First of all, the *organic* customer model, one of the first and simplest models. It consists in one customer spontaneously and naturally – this is the reason why the model is called organic – exchanging opinions and thoughts with another one, motivated by the idea of sharing warnings or benefits about a product or a service and to assist other, without the influence of specifically designed marketing strategies and it not measured by firms. Then, another model of WOM communications is the *linear marketer*, which has been developed once the effects of word of mouth started to be considered significant for companies' communication strategies. In this model, marketers try to influence, with trustworthy and real information about the product, customer word of mouth through the use of traditional marketing tools such as advertising and promotions, by providing a linear communication exchange between the firm, a group of potential opinion leader and loyalty customer – who had to recommend a good or service they personally tried and which they trusted – and the group of potential new customers. The last model, which has been developed since the advent of the digital era and when marketers recognized its importance, corresponds to the *network coproduction*. Companies have developed an interest into WOM strategies and have deeply understood the importance it can have of influencing not only the level of sales, but also spreading the brand awareness and promoting brand associations. The model consists in targeting customers one-to-one with specifically designed and addressed communications, thanks to enormous quantity of data that they are able to predict about every single customer. This model focuses particularly on the importance of creating a genuine relationship with the customer and understanding the importance that networks, groups and communities play.

8. *Personal selling*: comprehends all the face-to-face interactions with one or more potential customers with the main goal of making sales. In order to have a successful personal selling strategy, companies should invest and make particular attention to service encounters, which are a period of time during which a customer directly interacts with a service and represent moments of truth typically, many occur during a multi-stage service purchase process (Coye, 2004).

Enhancing sales through personal selling can represent a significant advantage for companies, which can offer customers a detailed and customized message before the purchase process to realize the sale and after, to enhance customers' loyalty by managing the assistance and to ensure their satisfaction through the time.

Personal selling has reached great importance during the last years and companies consider them to differentiate among competitors through the relationships they strive to achieve with customers. For example, Amazon is worldwide know for the excellent customer relationship management service and employees receive specific training programs in order to have a broad knowledge about how assisting customer before, during and especially after the sales, this to enhance the credibility, to improve the trust people demonstrated towards online purchases. Very few other companies can offer the same care towards clients that Amazon has. For this reason, companies specifically design strategies that are very different from the high-pressure selling but lean towards employees who are able to assist customers in every aspect, so that they feel involved, special and taken care. To ensure this, this training is spread non only to salespeople, but also to managers and chief executives, who have to act as motivators for all employees. Talking to customers and establishing a deep relationship with them is a way to ensure the loyalty before and after the purchases.

2.2. Cause-Related Marketing: definition and objectives

2.2.1. Defining cause-related marketing

Cause-related marketing – also known under the acronym of CRM – has been developing his roots in the latest years, under the form of corporate philanthropy through the profit-motivated giving.

Although the literature hasn't identified a formal CRM definition, Varadarajan (1998) defines it as the “activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives”. It can also be defined as the marketing techniques defined for the joint funding and promotional strategy in which a firm's percentage of the sales revenue is donated to a charity or other public cause and take the form of different initiatives (Westberg et al., 2014). Another definition of cause-related marketing is provided by Sue Adkins (1999) and she defines it as “a commercial activity by which businesses and charities or causes form a partnership with each other to market an image, product or service for mutual benefit”.

As highlighted in the first chapter, as companies strives in building a good brand equity base to obtain competitive advantage, to have loyal customers, which are aware of the brand and act as ambassador of it to acquire new prospects, corporate reputation becomes significantly important for the achieving of these goals, as well as influencing the prices and the purchases of stocks, of products or services by customers and shareholders. In order to build a trustworthy reputation, companies strive with delivering consistent quality over time, not only in term of attributes and benefits of the goods, but especially in building and communicating the business's core values and ideologies on which the company is based (Adkins, 1999). Under this perspective, cause-related marketing is a fundamental tool for building the brand, reinforce its reputation and demonstrating corporate values, as well as making corporate social responsibilities and corporate community investments visible. It is, moreover, a significant strategic tool because it helps in the social and economic regeneration of communities and public goods while, at the same time, helping companies to achieve their strategic goals (Rohit et al., 2018).

CRM strategies have, and will, undergone different phases and took different forms (Varadarajan et al., 1998). The first phase, also called “corporate philanthropy”,

corresponds to the corporate involvement in social well-being to address voluntarily social issues and problem. Public corporations used to participate in philanthropy activities and social responsiveness to align the corporate needs to social needs, although some authors highlighted that the corporate giving were voluntary, yet moved by stockholder's interests and only on those activities that furthered corporate interests (Varadarajan et al., 1998). The first phase changed after 1954, when the Supreme Court of New Jersey stated that publicly held companies can provide grants to non-profit companies as long as they aren't directly linked with profit production of companies' shareholders. The second phase corresponds to mandated corporate social responsibility, where there is a recognition among firms that, if they belong to a free society, any company operates only as long as the members of the society itself participate in continuing granting it. Regulatory provisions made companies change the scope of the corporate social responsibility so that the activities would not show any connection with the profit enhancement. Moreover, after the 1954 law, companies started worrying that, by participating in activities that would have fostered corporate interests too obviously, the company image will be considered hypocrite and the reputation will be damaged. The recent trends is situated halfway between voluntary philanthropy and controlled corporate social responsibility – also known under the acronym of CSR – it is driven by the idea of “enlightened self-interest”, where companies, in order to survive and to maintain the competitive advantage, they should implement strategically CSR strategies. For this reason, the focus of the company changes and CSR activities are considered as an investment with the aim of improving the long-term performance of the firm, the image and the reputation. This latest trend is also connected with the idea of corporate philanthropy, which objectives correspond to marketing strategies with two-fold goals, the first one reflect the company need to improve the firm's performance and image and the second one give concrete help in worthy causes, through the connection between fund raising for the benefit of a cause to the purchase of the company's goods or services. In fact, in most cases, the budget for CRM activities doesn't come from philanthropic foundation budget, but it belongs to the portion of the budget linked to the advertising and sales promotion expenses, on behalf of customers purchases in revenue-transaction during the specific period of the initiative.

The social, political and economic environment has changed, as well as the role of the state, which is expected to be able to fund welfare for the whole population and demanded to become more responsible, flexible, speed and innovative, while collaborating with businesses. In addition, customers' expectations have rose, who demand a deeper understanding of their needs and who want to have a personalization in the communications and services from the companies whom they make purchases, spend time and efforts (Adkins, 1999).

Due to the fact that there is not yet a single, complete and accepted definition of cause-related marketing, there are different activities that can be connected with it and are recognized under the names of social marketing, charity marketing, corporate or strategic philanthropy, social investment marketing, cause branding, sponsorship and PR, it is possible to affirm that cause-related marketing comprehends all those activities, or some of their parts, because although these activities can be managed and analysed separately, they have the correct similarity to be combined in an integrated programmed strategy. In fact, the word "cause" comprehends the good causes, the charities and the non-profit organizations to which companies can connect their marketing strategies (Adkins, 1999; Polonsky 2000).

2.2.2. Cause-Related Marketing objectives

Cause-related marketing is a strategic tool for companies that permits to realize different marketing and corporate objectives. According to Varadarajan (1998), the main objectives include:

- gaining of national visibility through the publicity generated by the initiatives
- obtaining an enhancement of the company's image
- thwarting of negative publicity and, at the same time, pacifying customer groups
- promoting repeated purchases for the realization of the cause-related goal
- increasing brand awareness, the nature and the intensity of brand associations
- broadening firms' customer base and, consequently, increasing the level of sales, through the development of new market segments and geographical markets

Specifically, one of the goals that most companies strive to achieve is the increase in the level of sales and CRM strategies can represent a useful strategy to achieve this goal. In fact, CRM programs increase the level of sales through the higher redemption rates for coupons that are connected with charities, by increasing the trial purchases, the number of times that a good or a service is purchased and through the promotion of multiple unit purchased.

Then, improving corporate image through the support of popular and respected causes can be a significant way to enhance the reputation of a firm with its association to the cause. It provides the firm with the possibility of gaining visibility, enhance public-mindedness towards the company image and can develop patriotism associations between the brand, the country of origin and its customer base.

Then, CRM strategies can represent a defence in case of negative publicity to restore the company's reputation among customers and media. Moreover, when there is a group of customers or a specific customer that might be offended by some activities of the firms, such as not intended advertising or misunderstanding, CRM programs provide tools for improving the relationship with that group of customers. For example, Nestlé marketing practices Third World countries made some customers from USA and Europe start a boycott of Nestlé products, that lead to a change in Nestlé strategies in those countries to regain the trust and approval of customers (Polonsky & Wood, 2001).

The entrance of a firm in a new market can be another advantage of adopting a CRM strategy, by spreading the brand awareness to a new group of customers and, through the creation of branding associations according to the initiative that the firm will adopt, the positioning of the branding will be enhanced.

Lastly, CRM can enhance the level of trade merchandising activities for the brand that is promoted, gaining leverage for the trade.

Cause-related marketing strategies offer benefit and advantages to all the actors that are involved, as, if on the one hand a company follows objectives that are connected with the improvement of brand image, spreading the brand awareness, increase the customer base, on the other hand the charity cause or the public goods will pursue its objectives, extending the result of the partnership to customers and stakeholders, as well as all the other actors involved reaching mutual benefit (Ross et al., 1992). This thesis highlights the idea that cause-related marketing, although its

roots may had that reason, is not to be intended as philanthropy or entrepreneurs altruism, as all the parties involved design CRM programmes to meet their different goals and targets while all benefit from the and receive a return on their investments.

The first example of the alignment between sponsorship, CSR and marketing objectivities dates back to 1983 when American Express launched a cause-related marketing programme to support the restoration of the Statue of Liberty through the promise of pledging to make a contribution to the Statue of Liberty – Ellis Island Foundation every time a customer performed a specific type of action by donating a penny to the renovation for each use of its credit card and a dollar for each new emission of credit card. This campaign, which ran from September to December 1983 is to be considered a pure success for several reasons (File & Prince, 1995). First and foremost, the corporation supported a cause with widespread national appeal, in an intelligent and respectful manner. Then, to ensure that people knew about the campaign, American Express committed to spending several million dollars to advertise it to the public. Welsh, who covered the rule of executive vice president of worldwide marketing and communications at American Express and deeply wanted to create a marketing campaign that directly linked customer action to corporate giving, estimated that the publicity and advertising associated with the campaign helped raise nearly ten times more than what American Express donated, as people and other companies were more willing to participate in such initiative.

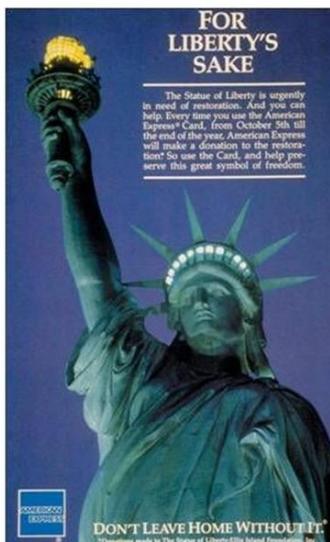


Figure 2.1 - Original printed advertising of the campaign and New York Times article

Lastly, the campaign succeeded because American Express presented compelling arguments as to why people should support the effort—the most notable of which appeared in the aforementioned print ad: “For, while it is [Lady Liberty] who stands for all of us, it seems a most auspicious moment to show that all of us truly stand behind her. The communication of the campaign was designed to made headlines in The Wall Street Journal, The New York Times², and on television news, reaching millions of people across the USA and even attracting a fair amount of foreign attention. Overall, new American Express card applications increased by 45%, the card usage rose 28% in just the first month of the campaign and an estimated \$1.75 million was raised for the renovation of the Statute of Liberty in only 4 months campaign.

The claim of the printed advertising stated that “In addition to all the logical reasons for using eh American Express card, there is now one that is unabashedly sentimental”. With this claim the company aimed at creating the associations between the protection of cultural heritage, feelings of patriotism and, at the same time, enhancing the fact that American Express is the national card, as it supports one of the main important buildings and symbols of the USA (Company information).

2.3. Different kinds of Cause-Related Marketing strategies

Cause-related marketing programmes can take different forms, according to the parties involved and the objectives that are set between them. The effective cause-related marketing strategy will be the one designed with a long-term strategy and that is coherent with objectives and values of the firm, to communicate coherently and consistently to customers, thus enhancing the creation of brand equity. They can be summed up in 4 typologies (Westberg et al., 2014; Rohit et al., 2018; Svensson et al., 2010; Adkins, 1999; Andreasen, 1994):

1. *CRM transaction*: the company provides the organization with financial or material resources relative to the turnover deriving from the collaboration established between the parties.

² Accessing to the archive of original digital version of the article by Martin Gottlieb of the 6th of July 1986 is possible by visiting: <https://www.nytimes.com/1986/07/06/business/cashing-in-on-higher-cause.html>

Specifically, it is called “transaction” because the company designs a commercial programme from whose sales will be devoted to the cause, thus involving the customer to participate to the cause through a purchase.

This strategy aims at reaching the growth and the maximization of the profits through the improvement of the level of sales and an increase in the customer base, as well as achieving social goals.

These strategies are sometimes achieved through the mechanisms of “basic affinity card”, that consists in customer signing up for the particular card or membership programme and to promise a donation to a charity or a specific cause and, additionally, the more customers use the card the higher will be the amount of the investment that the company will donate to the cause. Through this method, both the cause and the company achieved benefits. On the one hand, the causes assure themselves a continuous income, according to the number of users, and, on the other hand, companies can have access to significant amount of information related to new potential customers and their profiling. For example, the first campaign of American Express based the amount of the investment to be dedicated to the restoration of the Liberty State according to the number of customers who would have used the credit card and the number of credit cards emitted.

Then, affinity card methods can take the form of a card with a specific amount of money to be donated by customers to a set of causes or charities that are decided by the company. One example is this method is given by the British Halifax Visa Charity Card, where customers are provided with a choice among 3 charities – The British Heart Foundation, Imperial Cancer Research and Mencap – to whom funds will be donated. Customers choose which charity they wish to benefit and then the company does the transaction.

The third and last method takes the form of “Cooperative Bank” in which customers are asked to choose a cause or charity to benefit and the bank gives 25 cents per transaction.

2. *CRM promotion*: the company's product is used as a means of communicating the message and the cause supported by the company, that can be represented by a non-profit organization, a public party, a change in the behaviour or the support of specific ideas and other forms.

This strategy includes transmission of the company's messages through different media channels, from TV advertising to Internet, print and press campaigns. The content of the message will focus on the objective of the campaign, for example it can be linked to a particular sales promotion campaign, it can involve the business aligning with a particular good cause so that the advertising communicates the cause message, the entrance to a new geographical area or target or it can involve the enhancing and reinforcing of the brand reputation building.

For example, Member Only, an American man outwear cloth brand, designed a cause-related marketing campaign to influence people's behaviour, by communicating the importance of voting through a very strong message. America and Australia were suffering in the 2000s of very few people going to vote and the advertisement, to encourage people to change their mind and act, depicted Hitler, Nuremberg rally and Mussolini images, with the end line that stated "200 years ago the constitution of the United States suggested a very simple way to keep idiots like these out of our government. There is no excuse not to vote" (Adkins, 1999).

Another example is provided by Avon, who wanted to put the focus on their Avon Crusade Against Breast Cancer, by using television and satellite channels in the USA to promote a cause message by funding documentaries on breast cancer.

The objectives for creating a cause-related marketing promotion campaign are to create a differentiated position among competitors, not only about the products a company has, but also in the way it advertises them, by developing and reinforcing the positioning and thus, developing the creation of associations and relationship with customers, with existent ones, to strengthen the existing relationship, and with prospects, to raise the awareness of the brand and mission to a broader public (Keller, 2011).

3. *CRM licensing and sponsor*: the organization grants its own brand in exchange for economic quantification, through the sponsor of a specific activity or event. The activities designed under CRM strategies are different from the standard sponsorship. Firstly, because the aims of the company and the parties involved are shared and there is a profound cooperation so that each party accomplishes it and, secondly, the object of the sponsor is the cause or charity itself.

One of the most important examples of this strategy is the one by Coca-Cola, who was the sponsor of the Atlanta Olympics in 1996. This included the 'Community Heroes' whereby in association with the Atlanta Committee for the Olympic Games, Coca-Cola through this sponsorship, funded the search for thousands of local community heroes to be Olympic torchbearers, honouring their work as volunteers and their achievements. This programme was supplemented by Coca-Cola's own 'Share the Spirit' programme. Community Heroes objectives was to find "local heroes" who, through everyday actions – such as outstanding volunteer work, being an important leader, model or mentor for the community, acted generously and with kindness through the perform of extraordinary feats or accomplishments in this community or internationally – brought to life the meanings and values of the Olympic Spirit. With the investments in PR and marketing activities to promote this project, more than 2500 people were identified as "local heroes". Practically, the heroes could be nominated by people through special forms that were available in retail stores. Coca-Cola was able to obtain great resonance from this initiative, thanks to the word-of-mouth that it had generated, and it has reinforced the core values and brand awareness, while, at the same time, it has improved the level of sales.

This example shows how this CRM campaign is different and has broader scopes than the traditional sponsoring, as this relationship between the parties involved in the project combined the commercial sponsorship with the community celebration and benefit.

When the CRM campaign is designed under a licensing contract, the company, usually, pays for the license in order to avail of the charity logo or identity on its product or service. The goals that the company wants to achieve through these initiatives can comprehend the improvement of the level of sales, enhance the creation of positive brand associations and awareness thanks to the word-of-mouth and publicity of the cause endorsed. Contrarily to CRM sponsor strategies, licensing are pure commercial projects that can be part of a broader project through which the purchase of the rights for using the cause's logo is a part of the overall activities under the main CRM project.

4. *CRM joint fundraising*: the organization grants its tools and resources to support the cause, thus becoming an intermediary between its customers and cause. This

strategy acts as a “facilitated giving”, where the company provides tools to facilitate customer donations to the cause.

One examples of the application of this strategy is given by Sheraton Hotel with the project “Check Out for Children”, where clients are asked to donate \$1 – or local currency – to the hotel’s bill under the form of a donation to UNICEF in one of their 154 Sheraton hotels in 123 cities in 48 countries. “Check Out for Children” project supports needy children globally and, through this project, Sheraton has raised more than \$3 million (Adksin, 1999) and the project has been transferred to Sheraton by Starwood Hotels and Resorts, with an increase of 113 hotels supporting this project, while spreading “Check Out for Children” globally.

2.4. Designing and managing Cause-Related Marketing strategies

2.4.1. Introduction: the process and principles

Cause-related marketing strategies are managed under the firms’ programmes of social marketing, that involves the designing, the implementation and control of programs that are specifically created to influence the acceptability of social ideas and comprehends procedures for the marketing mix, with a special focus on communication, and the market research. Additionally, social marketing consists in adapting commercial marketing technologies to programs created to have an influence on the voluntary behaviour of the target group to which the program is addressed in order to improve their personal welfare and the one of the society in which they live in (Andreasen, 1994).

Companies should design and put into practice programmes that are aligned with their objectives. One of the objectives that a company may want to reach is the increase in the level of sales and, in order to reach this goal, companies design and engage projects and activities that are created to change beliefs, attitude and values of a group of customers, as sales reflect customers’ behaviour and habits, companies will try to influence these behaviours.

It is important to understand the importance of the correct designing and management of CRM strategies, as they could represent a significant threat to the company and the cause involved if not well structured, they may lead to the opposite effect and ruin the company reputation (van den Brink, 2006).

When designing CRM programmes, there are some key principles to be respected. The first set of principles to which cause-related marketing is based are setting and designing the project through integrity, honesty, transparency, mutual respect, partnership and mutual benefit. These values have to be reached in order to achieve long term sustainable relationship and to create trustworthy associations for customer, who might, in the case of those principles not being respected, lose credibility towards the firm and creating a substantial threat to the company and to its image.

The designing of a CRM project is 6 step process (Andreasen, 1994; Varadarajan et al., 1998; File et al., 1998; Westberg, 2012; Adkins, 1999):

1. *Planning and preparation*: the first phase consists in designing the nature and scope of the campaign, as well as the duration.
2. *Negotiating the partnership*: this includes aligning objectives, auditing assets, defining the nature of the activity, valuing the opportunity and assessing risks.
3. *The formal agreement*: this covers some of the legal requirements and codes and the responsibilities and liabilities.
4. *Managing the programme*: a project managing programme has been and the company monitors the phase and timing of each step
5. *Communicating the programme*: this covers the delicate balance that is required and the importance of the 'media test'
6. *Monitoring, measuring and evaluating the programme*: this phase comprehends verifying the programme during the whole duration and find key measures for the achievement of the objectives until the exit phase.

2.4.2. *Planning and preparation*

In the first phase, it is important to set the rationale and the goals for the potential campaign that the company intends to create and it consists in all the activities aimed at finding the cause-actor, defining the scope and the timing of the partnership and gaining the commitment from both parties.

The planning and preparations tasks are divided in:

1. *Setting the principle objective of the campaign*: The goals that a firm want to achieves can belong to a wide range, from reinforcing the company image through its values and reputation, developing relationships to enhance the loyalty among

existing customers and stakeholders, as well as facilitating the creation of new partnership, highlighting the points of difference with competitors, improve the brand awareness and the development of positive associations towards the brand.

2. *Integrate it in the business strategy*: A key principle when planning the CRM programme is to ensure that the project is integrated with the overall business strategy, so it doesn't add value only to marketing and corporate strategies but also to the community investment and all the employees and prospects of the firm. Then, before deciding with which partner start the campaign, firm should ensure the understanding and matching between the company's values and the cause. In fact, if there is no synergy between the two parties it is unlikely that an effective partnership will be developed. It is of paramount importance understanding the matching of the values between the company and the cause in order to develop a successful and coherent project. After having verified the existence of a match between the values of the company and those of the cause, it is important to control the existence of a clear affinity between the business and the cause, or between the project and the product or service. Determining the appropriate affinity is essential for the success of the project and is a task that belongs to both parties (Nan & Heo, 2013). The affinity can be verified through surveys, questionnaires focus group research and interviews. Moreover, after having comprehended the company and cause's vision and values, and having decided accordingly which objective to pursue, the company and the cause party should arrange their organizational structure. In this phase, it is important to understand the geographical distribution of the company and the cause, the nature and forms of the relationships that exist inside the company between its employees and stakeholders. For example, if a company that hasn't been paying some of the employees for a certain amount of time decides to embark on a CRM campaign, it can have some problems if the employees strike or report it to the press, thus having the image and reputation extremely damaged (Brink, Odekerken-Schröder, & Pauwels, 2006). The work ethos and the decision-making processes, as well as the planning and the amount of the investments that need to be faced are to be decided during this phase. Then senior and internal commitment to the project, are essential to the succeeding of the campaign. Companies usually take decades to build the positioning, the trust, their

credibility, but they can take few moments to damaged. If the management and the employees are the first ones to support and embrace the cause, not only the outcome of the CRM campaign is more effective, but also this leads to an improvement in the in strongest organizational support and sincerity (Adkins, 1999). It is important that the management embraces the project, as they represent the ambassador for the partnership and are responsible for the relationship. When employees and prospects are involved in the creation of the project and are asked to be part of it, there is an improvement also of the productivity and the company are spread through all the organizational level, thus enhancing the communication of the message also outside the company from all the people who are involved with the project (Webb et al., 1998). Then, the scope of the partnership between the company and the cause has to be set, including defining the ownership of the project, the length in time of the partnership and the nature and forms that it is allowed to take. For what concerns the duration of the campaign, generally, companies should decide to embark on long-term commitments, as it through repeated exposure that the most successful messages are understood and processed correctly in customers' mind and lead to a change in behaviours and associations. As highlighted in chapter 1, customer-bases brand equity takes time to be developed and to be effective. Moreover, companies need to plan in advance the consideration of a possible exit strategy of the campaign, that is when the programme should be ended. If the end of the partnership is not well communicated to customers and stakeholders, it will bring a fail in the leverage of all PR communication for both the company and the cause and it can create concerns and criticisms from those group, thus jeopardizing all the objectives of the whole campaign.

The last step of the objectives concerns the definition and planning of the correct amount of budget that the company wants to dedicate to the campaign, with which funds to support the partnerships and what are the departments involved. The budget depends, first of all, on the size of the company and the campaign to be realized, for examples local campaigns will have different budgets than the ones that are meant to be spread internationally. Usually, the company's departments that fund these initiatives are the one of marketing, community affairs or chief executives' budgets.

3. *Process for selection:* it is the last step included in the planning and preparation of the campaign. The first step of the selection involves finding the correct partner for the sponsorship. Companies usually evaluate previous experience with the partner, evaluate the formal policy and the contracts that have to be signed, they try to obtain information about the partner through customers and stakeholders research information material or through external consultancy agencies
If the company has already worked or collaborated with the partner, it is easier for them to choose among existing relationships because it can be also a chance to leverage the relationship and to continue the investment in terms of time and resources that have been applied. Formal policy is an important task to be developed by the company in order to guarantee that the partnership is created correctly and usually it is achieved by the corporate and community affairs professionals. In order to select the appropriate partner, companies can rely on the information research process internally, usually developed by the marketing or business development department, externally by employing customer and stakeholders to obtain information from surveys, interviews and focus groups or by having recommendations from existing contacts, referrals from other organizations or partnership that the company has already developed (Polonsky & Speed, 2001). Another method employed by companies for the selection of the appropriate partner is through the “tendering process”. It consists in understanding the background and nature of the company and the cause, included the vision, the values and the objective, introducing the company to the cause organization to cover the details of the project in terms of lengths, constraints, budgets and processes to be applied, the key facts and figures and also defining who the other short-listed organizations are. This process can provide significant insights to the company as it defines the overall perspective of the partner and the objectives in a detailed manner, thus having clear understanding form both parties.

2.4.3. Negotiating the partnership

Once that the company has completed the process for the selection of the partner and the appropriate one has been found, the negotiations and agreements needs to be planned.

In order to develop an effective campaign and to obtain benefits for both parties, the details of the partnership should be set clearly and transparently according to these steps:

1. *Identify SMART and convergent objectives:* the key task when designing a CRM campaign is to identify the objectives from both parties and to find coherence and convergence between them. The acronym SMART stand for defining objectives that are simple, measurable, achievable, realistic and time limited (Adksins, 1999). In this phase the parties share their objectives and negotiate on the necessary assets to be used.
2. *Asset and leverage audit:* both the company and the cause during this step need to define which are the assets and their nature that they want to destinate to the campaign. This include the selection of the advertising to be realised, for example through which media channel communicate, about which specific product or service, the usage of direct marketing or sales promotion, but also consider which are the tools that need to be used to achieve this, for example deciding if it would be more appropriate to use printed materials such as catalogues or leaflets, or focusing on a digital communication through newsletter, emails, social media channels. According to the nature, the segment and the positioning of the company there are methods that will be considered more appropriate than other. For example, a company whose main target are young people, aged from 18 to 30 years, should consider about investing more on digital advertising and experiential rather than printed materials. The company and the cause should identify and plan together the set of assets and tools to be used and leverage them according to the negotiations with the aim of reaching mutual benefits for both parties. Audit assets can include the departments that are involved, the employees and stakeholder's participation, the partner organization, suppliers, customer, both existing and potential, the support of the government and other non-governmental actors. If all the parties find the appropriate contribution in the participation of the programme, companies can easily understand what are the synergies that the whole programme is able to convey.
3. *Define the nature of the activity:* as highlighted above, all successful CRM strategies are aligned with both the company and the cause objectives and the nature of the

activity should be defined accordingly. The campaign should be simple, realistic, creative and addressed to the right target.

The nature of the activity should then be defined by implementing a creative idea, managing the balance of benefit between the cause, the company and customers, evaluating what are the range of products and services that the company wants to promote in the campaign, the communication strategy to be followed and which channels are more appropriate for delivering that message and the exit strategy.

4. *Valuing the opportunity*: one of the most difficult task to achieve is the empirical evaluation of the opportunities that are created with CRM campaigns, due to the fact that is quite a recent application, it can be applied through different forms and the existing literature on the topic doesn't provide a single and accepted method to calculate its efficacy, differently from the other traditional communication and marketing tools employed by firms.

The value of a CRM campaign should be established in terms of the total value that all parties achieve considering different aspects such as profile, the increase in the reputation, the communication of brand values, the enhancing of brands awareness, an improvement in distribution channels, as well as market and communications channels (File & Prince, 1995).

In this phase, company should evaluate their value financially – through the evaluation of income and cash flows and other balance sheets elements – and the overall value that the brand will achieve after the campaign, both financially and in terms of brand awareness, associations, image and reputation, thus all the elements that contribute to the creation of brand equity.

5. *Risk assessment*: in this phase, companies should evaluate the possible critics and controversies that the CRM campaign may arise, externally both from the customers side, press, competitors and the market and internally, from employees and stakeholders' perspective. Risk assessment usually involved the managing of 3 aspects: the reputation the logistics and the finance and usually each party develop its own plan to address the potential issues that may arise.

Reputation's risk has to be considered with extreme attention and companies should avoid all the conditions that may undermine, compromise and damage every aspect of the brand, as well as the other cause-party involved.

Logistics involves assigning role and responsibilities to every actor involved in the organization of the campaign in order to have a fully understanding on how every single aspect of the campaign could have an impact on the succeed of the whole programme. For example, supplier and distributor can have an important impact on the project, imagine the case where a product shelf-line has an inferior lifetime in the supermarket than the duration of the whole campaign. Particularly important is the company focuses on understanding the level of commitment that the partnership will have on the overall company and plan in advance the exit strategy, in terms of manner and the effects this can have. Companies usually rely on PR to deal and set the guideline for the crisis management in case of bad campaigns, but both the firm and the cause-party should discuss how to manage the risks and how to act accordingly.

2.4.4. The formal agreement

Before embarking on a CRM campaign, the company and cause-party legal departments must develop the formal agreement and the scope of the partnership, that is contract.

The first step involves the definition of the responsibilities and liabilities of both parties, according to the legislation that will be applied to regulate the partnership. The regulation to be applied depends from the countries of origin of the parties and especially the country of where the campaign will take place. The regulation will have to create a legal, decent, honest and truthful contract that will be signed by all the parties involved in creation of the programme.

Then, the legal department of the firm will evaluate which is the most appropriate contract model to be applied. Usually, the most used contractual models are the sponsorship, the on-pack promotion, the product endorsement and the licensing model, according to the kind of CRM programme that the company will embark.

Then the heads of the agreement are created, which comprehend, among other things, the name and the legal reason of the parties involved, the purpose and the nature of the partnership, the role and the responsibilities of the all parties involved – from suppliers, to the agencies to all third parties – and the intellectual property rights. A proper lawful commercial participator agreement is essential to guarantee

the development of the campaign, especially when the company and the cause are operating in different countries.

The company and the cause-party have to decide the minimum guarantee for the funding and the delivering and the terms of exclusivity of the campaign. The exclusivity agreements should cover the duration of the campaign, the countries in which it will be developed, the product category, which kind of CRM campaign – among the above listed – to be set.

If the parties operate in different countries, regulations about taxes and VAT need to be applied. In fact, through cause-related marketing campaigns and sponsorship companies can achieve some commercial benefits for what concerns tax regulation.

2.4.5. Managing the programme

After having identified the correct partner, created the programme and reached an agreement, companies should plan effective implementation strategies and project managing.

When developing the activity, companies and the cause-party should remember that one of the key points of embarking on a CRM campaign is the desire to achieve mutual benefits.

Leverage is fundamental for the succeeding of the programme. The partnership should be leveraged and integrated correctly internally, through the company departments, end externally, through the company's networks of stakeholders and customers.

Communication plans should be developed throughout the whole duration of the programme, as well as deciding which are the most appropriate tools to consider when in the communication cycle. The range of activities and kinds of advertising are broad in the CRM campaigns, they can range externally, from advertising, direct marketing, sponsorship, merchandising, sales promotion, spokespeople and ambassadors, PR, events and internally, which can include employees including the sales force, internal media and events.

Project management activities should be able to assist the program in:

1. Deciding the work and the timing plans for the campaign
2. Highlighting the main points of contact
3. Nominating the decision-making authority

4. Approving the decision-making process and timescale
5. Highlighting the responsibility for different aspects of the process and the frame to which it applies
6. Deciding all the actors involved and which part of the programme is whose responsibility
7. Defining the scope and timing of the approval and processes of the programme
8. Deciding clearly the success criteria and defining measurable objectives that both parties want to achieve through the campaigns, the time of when to be achieved

2.4.6. Communicating the programme

Communicating correctly is a paramount important step in order to develop and achieve an effective cause-related marketing campaign.

An effective communication is based on some key guidelines that have to be followed throughout the whole duration of the communication process, also because customers usually support the creation of those campaigns, so it essential that they understand correctly their values and scopes. Communicating effectively and sincerely the campaign can result in avoiding scepticism about the partnership. The first step is to identify the stakeholders and the messages that both parties want to communicate. The addressee of the campaign can be different and of various kinds, from the chairman and the chief executive, the board of directors and all the employees, the supports and the ambassadors of the firm, as well as local and national governments, partnership organizations, distributors and suppliers and especially, customers, existing ones, to enhance and reinforce their loyalty towards the brand, and potential, to develop the set of associations with the brand to attract them. Communicating correctly the programme to customers is essential to build relationship with them, to reinforce the company image and reputation and to answer to the expectations that they have.

The communication of the programme should be planned for the whole duration of the campaign and a pre-launch communication plan should be scheduled. The pre-launch set of activities comprehend building stakeholders' awareness on the cause and ensuring that the whole company is aligned with the programme values and missions, to communicate it effectively externally and for them to be identified with the cause that the company wants to promote (Roy & Graeff, 2003).

Then, of the most important and critical phase is during the launch of the communication. Depending on the nature and scope of the programme, the audience can have different measures. TESCO, a British multinational groceries and general merchandise retailer, launched a cause-related marketing programme in 1992 called "Computers for school scheme", in which he promised to offer computers in return for vouchers given to Tesco customers – with 10£ purchases, 1£ is dedicated for the voucher – and donated by them to schools and hospitals. Until 2004, £92 million of equipment went to these organizations (Pratley, 2005). The programme was very successfully, it indeed lasted for many years, and is a great example of a good communication strategy, as it addressed correctly the designated target and the results of the campaign were concrete, thus increasing the credibility and reducing the risk of ambiguity with the public (Adknis, 1999).

Then, when the programme is launched and the biggest amounts of investments have been done to ensure the awareness of the campaign, the communication should be planned also throughout the whole duration of the programme, to ensure that all the targets are reached. Post-programme communication strategies are important in order to obtain feedbacks from the actors involved, as thanking those who participated in the programme. Assessing the results of the campaign when it ends, is a useful tool for the company because it provides, both for the company and the cause, another advertising and PR opportunity and is also further opportunity to strengthen the partnership.

Companies can choose from a broad set of tools to be used to promote the campaign. Companies should use every available channel in order to communicate with the different stakeholder's group. According to a research that studied which was customers' favourite communication channel to be used with CRM campaigns, , the most employed communication tools for CRM campaigns are PR, newsletter, printed advertising and sponsorship, followed by on-pack advertising, point-of-purchase communications strategies, sales promotion (Adkins, 1999). Moreover, customers highlighted that they would prefer those companies who will continue to use the channels they are used to, otherwise the change might arise in feelings of criticism and of scepticism because it would appear as a not coherent and sincere communications and 74% of the customers declared that they would support the run of advertising from a company if is related to cause or charity support.

Additionally, according to the above mentioned research, the activities that customers noted to be more effective were television advertising, because they could gain more insights and information about the cause and the video and sound facilitate the deepening of the awareness, advertising on the product packaging, because it helps the memorization and recognition inside stores and is a useful tool to differentiate the stores from competitors and poster and signs inside the point of sales in order to reach a broad number of customers and to help the developing of customers' association with the brand. This research shows that customers are more and more marketing literate and are aware of the differences between the promotional and advertising techniques that can be used by companies.

2.4.7. Monitoring, measuring and evaluating the programme

The investment made by the company and the commitment to the cause, make the monitoring, the measuring and the evaluation of the programme an essential step in order to assess its effectiveness. During the planning and preparation phase, it is essential to identify the key objectives that will provide the performance indicators against which the programme or partnership can be monitored, measured and evaluated.

According to the nature of the programme, companies need to define the appropriate strategies and forms of measure. For example, if the CRM campaign is of transaction, companies should monitor the level of sales associated to the promotion and set key objectives to be reached over time, both during the campaign and by its end.

Usually companies set as items to be monitored:

1. the fund raised within the campaign, according to the nature of the CRM
2. the effect the campaign has had on the level of sales, volumes and customer traffic
3. the media coverage of the advertising and promotion
4. the effect on the reputation, image and awareness of the brand and of the company
5. the effects the campaign has had in terms of customers satisfaction and employee satisfaction, as well as the satisfaction from other stakeholders
6. the possible impact of the campaign on the society and the local communities, as well as the echo it will generate on a national level

Monitoring the programme is important for companies because it provides opportunities to redefine the details of the partnership, while measurement and evaluation provide the evidence for deciding whether or not to continue the investment. Companies should base these activities on effective data, in order to make possible judgements about the success of a CRM campaign and can form the vital basis for future support. As with what should be carried out with any other activity, without clearly setting and measuring performance against objectives will increase the difficulty in deciding whether other similar campaigns should be implemented (Till & Nowak, 2000).

One of the challenges that may arise when measuring and monitoring the campaign, is to assess its long-term effectiveness, as companies would need to disaggregate the effects of the whole marketing strategies of a brand, especially when the companies are big and not of small-medium scale.

As cause-related marketing being a quite recent strategies and depending on the broad scale of objectives that firms would want to reach by applying this method, most companies haven't been able to develop a proper and unique method to assess its efficacy and, as one of the aim is reaching commercial benefits, companies are not willing to share evaluations methods and the results obtained through the specific campaigns. Every campaign and every partnership will be different from one another, as well as the combination of the techniques and tools to be used. Moreover, it is difficult to assess the results of the campaign as they are confidential information that belong to the company and are not shared with the public.

2.5. Future directions of Cause-Related Marketing strategies

Companies increasing attention towards implementing cause-related marketing strategies in the marketing mix is significant.

The increase in the interests from companies depends on various factors (Adkins, 1999). First of all, the existing relationship between a company, the local or national community and the cause have changed. Companies used to implement pure philanthropic strategies because of the willingness of the figure of the entrepreneur, whereas now they have understood the importance of aligning the philanthropic cause with the achievement with resolute goals, that can include not only commercial objectives within the business environment, but also investing in the community in

which the firm operates, transforming the relationship from one-dimensional to multi-dimensional. Thus, pure philanthropy era has not come to an end, but it has been understood by companies as an effective marketing tool that can be leveraged through cause-related marketing programmes.

Moreover, the increased interest towards cause-related marketing reflects the needs of the society, which is asking companies to implement corporate citizenship interest and corporate social responsibility. One of the main advantages of cause-related programmes, rather than the simple and traditional corporate social responsibility ones, is that the results are easily assessable by customers (Hoek et al., 2008). Customers are becoming “knowers” of marketing strategies and can easily exchange information with one another, thus demonstrating a desire in the expected level of information that companies are able to share with them, demanding more transparency.

Cause-related marketing campaigns can offer the advantage to improve the creation of brand association and enhancing the spreading of the awareness of the brand because it is a form of communication that engages customers with their feelings and emotions, thus building associations that are deeper than those based on product attributes such as quality and price.

A key aspect of the future of companies in order to gain competitive advantage will be to be able to demonstrate corporate reputation, through linking values and beliefs to everyday aspects of the brand and communicate them accordingly to customers and stakeholders.

Moreover, CRM campaigns can involve the creation of new business opportunities for firms, by encouraging greater internal and external cooperation and collaboration (File et al., 1998). In fact, it improves the leveraging of the supply chain. Retailer play a vital role in the company distribution strategies and the dominance it has on many relationships can lead to supplier support of the retailers’ and cause objectives, by facilitating the building of the goodwill and enhancing the relationship between a company and the retailer.

Developing partnership is essential for companies to guarantee a continuous development and, as demonstrated through the mutual objective achievement characteristics of cause-related marketing campaigns, companies try to create alliances that are not limited to the business sector, thus leading to an improvement

in the creativity approach to the developments of funding strategies (Hoek & Gendall, 2008).

Customer expectations towards business have increased in the recent years. Customers are not only aware of the marketing and brand literature, they have developed social awareness and thus companies, in order to address this new kind of need of being “informed and listened” will have to implement strategies to reach customers’ expectations. Moreover, customers value intangible aspects that go beyond functional benefits of the product or of the service, increasing the attention on corporate values. Companies should develop strategies to manage their reputation and their impact on society and cause-related marketing can be a useful tool in order to achieve this goal.

Markets have become more and more consolidated the competition between companies has increased deeply lately and obtaining a competitive advantage for what concerns corporate social responsibility and the development of new kind of communications has become a difficult task to achieve. Cause-related marketing will thus companies with a different and original tool of differentiation among competitor uniquely, as the campaign will be constructed according to the company values and objective specifically (Adkins, 1999). Being product attributes, for example price and quality, key differentiator tools, the company will obtain, given that the product attributes are equal, competitive advantage from associating the product or the brand with a cause-related marketing campaign. Brand which have a strong brand equity base, will develop communication and messages that connect with the rational, but also the emotional level in order to enhance the associations development, thanks to the fundamental ability of cause-related marketing to be able to engage customers rationally as well as emotionally (Nan et al., 2013). Moreover, the creation of brand equity will be facilitated for customers if they are able to perceive the CRM programme, because in customers’ mind the company there will be a synonym association between the cause and the brand which has developed it.

New developments of cause-related marketing strategies will involve also the development brought by the innovations of the information and technology revolution, new customers expectation on experience, personalisation and transparency.

Innovation have been made by companies in product packaging to communicate the cause-related marketing programme and also the message of the cause, thus considering the packaging not only a recipient or case for the product but also for communicating.

ICT revolution has broadened the channels through which cause-related marketing campaigns are communicated. For example, companies can use social media to interact with a higher number of customers and can be used to promote the campaign at a relative low cost internationally, thus increasing the ways of developing brand awareness. Fundraising platforms on the internet are developing as well as corporate sponsored websites (Keller, 2009). Then, with the fast growing are of e-commerce purchases, retailers will evaluate ways for expanding point of sales systems and as customers being more and more comfortable with e-commerce purchases, more interactive and additional sources of cause-related marketing will be developed (Keller, 2009). In 1996, Bob Doyle of Interfriendship and the International Red Cross have launched together the "HelpAd" platform. HelpAd give the space to a product to be sold on the packaging to another company or product inside the HelpAd platform. HelpAd sell the opportunity to advertise on this space to a complimentary brand. HelpAd has now raised over £500,000 to help support Red Cross. (Adkisin, 1999). In order to communicate more creatively cause-related marketing campaigns, companies will try to develop new kinds of platforms and channels to leverage the opportunity.

According to Adkins (1999) cause-related marketing strategies will develop in 3 future directions. First of all, cause-related marketing will continue to be seen and developed as a strategic marketing tool through which the company's core objectives, visions and values are connected and can be shared with customers and stakeholders, and according to this, long-term sustainable programmes will continue to be constructed based on integrity and mutual benefit of both parties .

The second direction sees cause-related marketing strategies exploited by those attitudes that see the opportunity only as a short-term, one-off, one-hit sales promotion, belonging to the traditional and classic category of duration time of a promotion – 2 to 3 months –which can have only a minor impact on the reinforcing of the brand image and values.

The third direction sees an increase in the number of companies which will begin to appreciate and integrated the strategic potential of cause-related marketing, valuing its ability to achieve commercial objectives and, at the same time, having a positive impact on a particular cause. Thus, the last option considers cause-related marketing being tested as a pilot programme, as part of an overall integrated strategic vision, to invest in the wider community and make a long-term sustainable difference. Power of the brands should be spread in partnership to change behaviour and address key social issues, making a positive impact on society, integrating and combining the needs of the business with the needs of society, with the aim of achieving mutual benefit.

2.6. Customers' attitudes towards Cause-Related Marketing strategies

In order to understand why companies should start implementing cause-related marketing strategies, it is important to assess how customers react and perceive these strategies.

According to (Hoek & Gendall, 2008) customers seem to appear more willing in choosing brand and products from firms that support worthy causes and these findings have encouraged firms to use CRM campaigns as an agent for social change. Moreover, a study (Nan & Heo, 2013) highlighted that when companies communicate to customers through a cause-related marketing strategies, compared with a similar campaign from other brands without using a CRM message, more favourable customer attitude toward the company are elicited. Additionally, when the CRM campaign demonstrates the existence of a high fit between the company and the cause, customer attitudes towards the communication and the brand are more favourable, as well as the creation of the set of associations (Roy & Graeff, 2003).

CRM contributes to the creation of innovating marketing techniques from companies and, at the same time, allows them to benefit from investments towards charitable causes. Although the use of cause-related marketing techniques can provide the achievement of different benefits both for the company and the cause, customers can perceive CRM as a combination of a purchase decision and other forms of prosocial, constructed behaviours.

Prosocial behaviour is defined as the “designated helping, sharing and other seemingly intentional and voluntary positive behaviour for which the motive is

unspecified, unknown or not altruistic” (Ross, Patterson, & Stutts, 1992). This effect changes according to the physical distance between customers and the cause and CRM campaigns can have local, regional or national scope. According to Ross (1992) customers are more favourable towards the use of CRM that donated to local causes rather than national ones.

Cause-related marketing techniques have become a more and more frequent strategy, especially in the USA where it was first developed. According to a research conducted by the PMA (Promotion Marketing Association), more than 85% of American companies have been using CRM campaigns (Nan & Heo, 2013).

Customer responses can vary according to the kind of CRM campaign that is implemented by companies and the role of brand and cause-fit plays a vital role in the responses. The fit can involve the cause and the brand, a specific product, the geographical area, the business sector and the channels used. Fit has demonstrated to provide multiple cognitive bases for the facilitation of the improvement in brand image, brand awareness, brand reputation and, thus more generally, brand equity. For example, when a firm is implementing a brand extension strategy, the perceived fit between a new product and the parent brand has been conceptualized as originating from multiple sources, such as features similarities and image consistency.

The perceived fit can be influenced by the functional based similarity between the product or the brand and the cause, for example what occurs when the product is used for advertising the campaign, or by the imaged based similarity, which shows a match between the core values of the company and those of the cause.

The fit between the brand and the cause can be achieved through different sources. Among those, sources of the fit can be found when both the actors are serving the similar customer base, thus having the same target. Then, the fit can consist in the firm and the cause sharing the similar values.

The affect transfer effect takes place when people’s pre-existing affect towards one product or brand, is transferred to a closely related object that may not have been considered before (Demetriou, 2010). This effect is boosted by cause-related marketing campaigns, improving the associations between the brand and the cause and enhancing the creation of positive feelings towards the brand. Moreover, if customers consider themselves as altruistic, when brand are perceived as altruistic, they can develop feeling of connection or social identification with the brand,

comparing the personal traits of customers characteristics with those of the brands (Barone, et al., 2007).

As highlighted in the first chapter, brand equity is an important tool for companies to differentiate from competitors and represents the differential effect that brand knowledge has on customer response to marketing activity (Keller, 1998) and CRM campaigns are creative and innovative strategies in order for companies to develop marketing activities that may not have been exploited by competitors. Brand knowledge in customers memory is represented as brand node to which variety of associations are linked, among those, for example, product functions and user image. CRM have been identified by customers as a means to build brand equity because it enhances the user image with the brand (Nan & Heo, 2013).

Ambiguity in brand-user image is considered to be more important for some customers group than others. Specifically, it is likely to be more relevant for customers that have high brand consciousness – defined as individual trait characterized by the degree to which a customer is oriented toward buying well-known branded products – rather than those with low brand consciousness. This is due to the fact that customers perceive purchase and consumption of products as a means to demonstrate self-expression, thus customers who have high brand consciousness should be more sensitive to the user image that a brand conveys. For this reason, if the image conveys positive and unambiguous associations and feelings, it will result in customers developing a positive attitude towards the brand, on the contrary if the image is ambiguous and not clear customers who demonstrate to be high brand-conscious might perceive risks in the adoption of the brand, which arise from the uncertainties derived to others perception of them purchasing and using the brand.

CHAPTER 3 –

A CASE STUDY ON COOP ALLEANZA 3.0 CAUSE-RELATED MARKETING – OPERA TUA CAMPAIGN

3.1. Coop Alleanza 3.0 and the project Opera Tua

Coop Alleanza 3.0 is the largest Italian customer co-operative, primarily operating food retail stores under the banner “Coop” in many Northern and Eastern Italian regions. Coop Alleanza 3.0 is a member of the National League of Cooperatives and Mutual Societies and belongs to the broader Coop Italia system. It was formed in January 2016 as a result of the merger among three cooperatives (Coop Adriatica, Coop Estense and Coop Consumatori Nordest) and, as of 2018, generated c.€5 Bn in yearly net sales.



Figure 3.1 – “Opera Tua” website

Coop Alleanza 3.0 is the largest Italian cooperative in Italy by number of points of sales (400 stores, including 62 superstores, in 12 out of 20 of the Italian regions), by product lines (11) in order to meet the needs of all targets, by turnover and the largest cooperative in Europe by number of associates, with more than 2.5 million of associates³.

Coop Alleanza 3.0 has different product lines in order to meet many targets. The 11 private labels vary from home care and health care to biological and fair-trade products. Moreover, Coop Alleanza 3.0 has developed over the years “Amici di Casa Coop”, superstores dedicated to animal care and nutrition. “Fior Fiore”, is Coop’s premium private label that produces more than 400 products, which are

³ Company information as of April 2019

characterized by extremely high quality, yet at a relatively convenient price. Its products represent the traditions and excellences of the Italian cuisine, products characterized by a strong regional and local provenience, whose supply chain is short and well communicated to customers. “Fior Fiore” product line is particularly important because, as it will be explained more in details in the next paragraphs, represents the products Coop Alleanza 3.0 products linked with the cause-related marketing campaign.

This chapter analyses an example of cause-related marketing that links Coop Alleanza 3.0 to the cause of restoring monuments across Italy. In brief, “Opera Tua”, this is the name given to the project, described in greater detail in the following sections, starts as a cause-related marketing campaign of promotion and, in the subsequent editions, it also assumes a transaction form. The project can be classified as a CRM initiative because the company's product, specifically the excellences of the different Italian regions, are used as a means to communicate Coop's corporate values and the cause supported by the company, namely the restoration of Italian artworks. In this chapter, the initiative is framed through a threefold perspective's method. First, through an analysis of some data provided by the Company, gaining an overview of customer participation and engagement to the initiative from an *internal perspective*. Second, through the adoption of an *external perspective*, i.e. to assess more broadly how this type of cause-related marketing campaign impacts a company's brand equity, and specifically to assess what associations develops in customers' mind. This goal is achieved by means of a cross-sectional survey administered to c.680 people, between existing and potential customers. Third, through the analysis of the initiative via a *managerial perspective*, by conducting a deep interview with the Coop Alleanza 3.0 team who has devised and managed “Opera Tua”. The latter allows a deeper understanding of which objectives the company wants to achieve with a cause-related marketing campaign and of how this initiative differs from a traditional advertising campaign. Moreover, from the interview it is possible to gain additional interesting insights coming from the restitution events organized at the end process of a restored artwork.

The project “Opera Tua” was first launched by Coop Alleanza 3.0 in 2017. It was devised by Enrico Quarello, managing director of the area Relationships and Activities for the Territory and Coordinator of the Membership Directorate of Coop

Alleanza 3.0, Alice Podeschi, Head of Territorial Projects, Social Marketing and Innovation, manager for Social Policies and Territorial Relationship and Fondaco Italia, an Italian-based innovative consulting boutique mainly focused on corporate communication through cultural campaigns.

The project is an initiative of cause-related marketing campaign that consists in a metaphorical journey across 7 Italian regions combining the restoration of artworks with the enhancement of the excellence of typical local food and wine specialties.

“Opera Tua” is deployed along with the “Sapori, si parte!” campaign realised by Coop Alleanza 3.0, which aims at bringing the excellences of regional food, in rotation, to all the 52 superstores for a three weeks period. Examples of regional food excellences include wines from Veneto, tarallini from Puglia, cheese and ham cold cuts from Marche, pistachio pesto and cannoli from Sicily. In conjunction with each step, Coop Alleanza 3.0 members can promote the restoration of an artwork from the same region of “Sapori, si parte!”, by voting online between two proposals expressing the culture and talents of the different areas. The operas restored belong to different styles, époques and techniques – from paintings to wooden statues, from mosaics to archaeological finds, up to ancient textiles – in a journey to discover those artworks that are considered, wrongly, “minor”, even in small provincial towns. Their characteristics is that they all belong to the Italian territory and contribute in making it so diversified and unique, reflecting the cultural aspects of their origins. The restoration intervention is conducted in a logic of concreteness, that aims at the quality of the restorations, at the certainty of the realization times and at the possibility to monitor live the works thanks to the web.

In simpler terms, “Opera Tua” consists in the restoration of a handful of artworks – 7 in the first edition (2017); 8 in the second and third editions (2018 and 2019,



Figure 3.2 - The 2017 and 2018 archive of all the artworks restored thanks to the project

respectively) – throughout the same number of Italian regions where Coop Alleanza 3.0 is more present with regards to the number of point of sales. The regions that participate in the competition are Puglia, Veneto, Basilicata, Marche, Abruzzo, Sicilia, Lombardia, Friuli-Venezia Giulia and Emilia-Romagna. Periodically, according to the “Sapori, si parte!” calendar campaign, 2 artworks are proposed to customers – in the

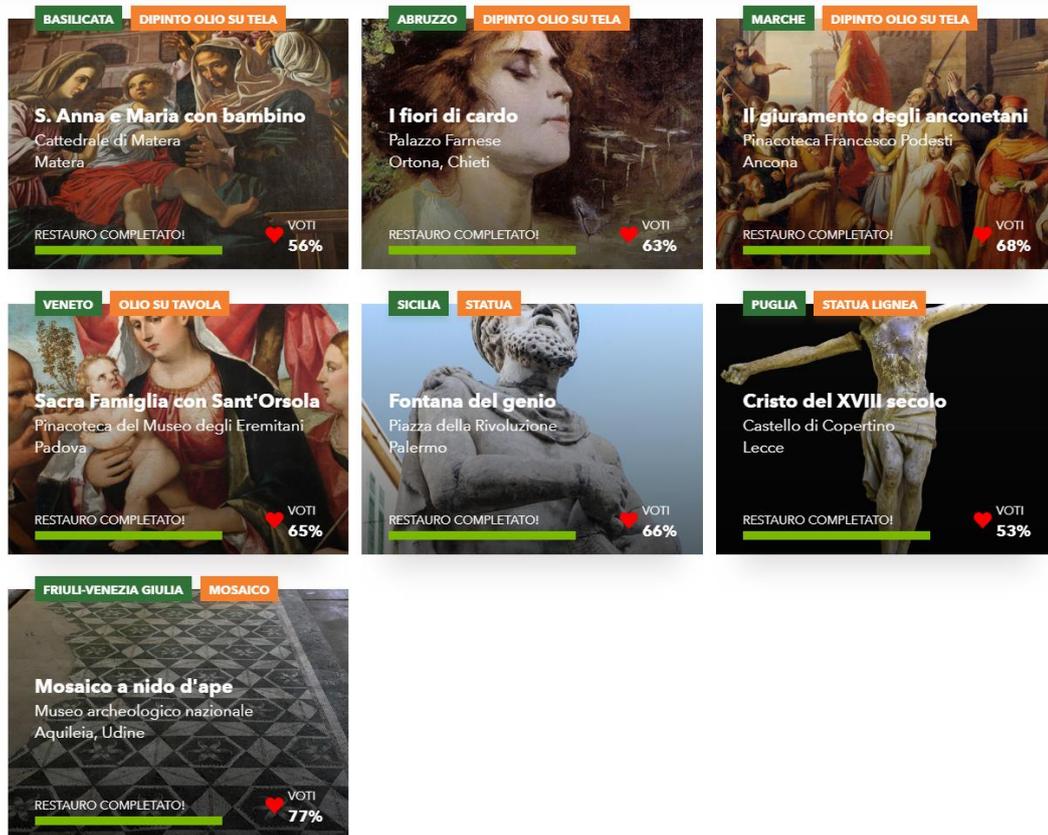


Figure 3.3 - the artworks that won the competition and has been restored

case of Coop Alleanza 3.0 customers need to be intended as associates – who, through their vote on the dedicated website page, express their preference and decide which artwork will undergo the restoration.

In order to encourage the participation to the initiative (it is possible to vote only once per step), the members receive a 10% discount, directly uploaded onto their Coop membership card, to be used immediately on an expense of products from the region covered by the initiative, on an amount of up to 100 euros.

For “Opera Tua” cause-related marketing campaign, a dedicated webpage has been created, so that customers could log in and vote for the artwork they preferred to be restored. Moreover, in order to create more engagement with the programme and to transmit the transparency of it, customers were offered with the possibility to follow the ongoing restoration process.

Le ultime novità

NEWS DEL 13/12/2017

A Matera la tela torna al suo splendore! Il dipinto olio su tela "S. Anna e Maria con bambino" è stato riposizionato sull'altare di sinistra. Una curiosità: Sant'Anna era una donna sterile e anziana. La sterilità era considerata una maledizione ma, secondo le Scritture, Dio mandò un angelo per annunciare ad Anna che presto sarebbe sbocciata dalla radice inaridita un giglio candido e che in quella casa squallida si sarebbe aperta la rosa mistica e presto sarebbe venuta una fanciulla piena di sole. Ripercorrendo le tappe dell'intervento, realizzato in collaborazione con **Fondaco Italia**, ricordiamo che è stato effettuato prima l'asporto dell'opera dal suo alloggiamento e il rilievo fotografico anche a luce infrarossa per la localizzazione delle zone maggiormente degradate della tela, al fine di procedere al suo consolidamento. In seguito è stata anche realizzata la pulizia per la rimozione di detriti accumulatisi nel tempo e l'asporto dell'ossidazione. Si è intervenuti per rendere omogenea la cromatura dei colori e per l'applicazione di un protettivo neutro. Infine è stata realizzata una nuova struttura distanziatrice a muro per ancorare l'opera al fine di garantire un adeguato fessaggio e la corretta aerazione retrostante contro l'umidità. Il restauro è stato realizzato dalla **Ditta Pantone Restauri** di Roma.



NEWS DEL 07/12/2017

La tela è tornata a Matera! Ecco alcune foto del montaggio: è stata anche realizzata la nuova struttura per agganciare la tela in modo tale che, staccandola dal muro, non venga aggredita dall'umidità. Siamo molto contenti del risultato!



NEWS DEL 06/11/2017

Quasi arrivati al traguardo. È stato applicato il consolidante ed il protettivo sulla tela: servirà ancora una decina di giorni perché il tutto si asciughi alla perfezione, e a seguire l'opera può essere riportata alla Cattedrale di Matera.

[Vedi le altre 3](#)

Figure 3.4 - the news section for each artwork that is undergoing the restoration process

Additionally, a “news” section was added so that customers could see the phases of the restoration, thereby enhancing their involvement in the process and promoting positive feelings and interactions.

The first edition of the project was a success for Coop – with more than 5,300 votes and an average of 37.6 people voting every day on the website for the whole duration of the project⁴ – leading to the decision that the initiative would be held also in future years. Backed by the success of the previous year, the 2018 edition was done in partnership with Associazione Beni Italiani Patrimonio Mondiale Unesco. In 2019, the partnership has been with the Italian Touring Club.

One of the advantages of realising a cause-related marketing campaign is that, contrary to other forms of advertising, the approach and the objectives can be modified easily, without creating a new campaign.

For what concerns the 2018 edition, due to success obtained from the 2017 edition, Coop Alleanza 3.0 decided to increase the amount invested in the campaign – from 100,000€ to 150,000€ – as well as the number of the point of sales that participated to the initiative. In fact, the number of stores where “Opera Tua” project was held increased from 52 in 2017 (superstores only) to 400 in 2018 (both superstores and supermarkets). Moreover, an Italian region was added to the competition, thus increasing the number of customers involved.

⁴ Source: Coop internal data from the database of 2017 and 2018 customers' participation to “Opera Tua”

In 2019, the campaign has evolved. Specifically, the product promoted has changed, thus making “Opera Tua” a CRM strategy of transaction. In fact, in 2017 and in 2018 the promoted products were linked to the project “Sapori, si parte!”, which aimed at highlighting typical and regional products, whereas in 2019 the products belong to Coop’s premium private label “Fior Fiore”. The nature of CRM is changed and becomes, from a cause-related marketing of promotion to a cause-related marketing of transaction. This change is due to the fact that 1% of the value of purchases of associates and customers, derived by the products that belong to the premium private label product line “Fior Fiore”, will support the 2019 edition of “Opera Tua”.

The decision by Coop Alleanza 3.0 management team, as explained more in details in the interview below, to promote “Opera Tua” CRM campaign with “Fior Fiore” product line, is to communicate more coherently and efficiently the positioning of the private label. Indeed, as “Fior Fiore” products are positioned in such a way to represent the Italian gastronomic excellences, the management wanted to promote the quality of these products with both art and cultural enrichment.

3.2. The objectives of the project

As highlighted in the second chapter, when a company decides to embark on a CRM campaign, one of the first steps is to define the objectives to be achieved through the initiative.

In the first phase of the process, to develop this cause-related marketing campaign, namely planning and preparation, Coop Alleanza 3.0 considered which objectives to reach (Adkins, 1999).

The first objective that Coop set out to achieve with “Opera Tua” was to obtain an enhancement of the brand image and a reinforcement of the corporate values to demonstrate the coherence of corporate strategy to align with the brand values. The most important values shared by Coop are based on the ideas of self-sufficiency, responsibility, democracy, equality, fairness and solidarity. The values that Coop Alleanza 3.0 aims at reinforcing with the cause-related marketing campaign are:

1. Cooperative democracy
2. Transparency, fairness and legality
3. Transmitting values to employees and associates
4. Sustainable development

5. Growth, but caring for the development of future generations
6. Love and integrity for the national territory

During the planning and preparation phase, Coop decided to reinforce the value of *cooperative democracy* by introducing the possibility to vote on the platform, thus creating engagement with associates, and by enabling them to choose the artwork to be restored. The value of democracy is reinforced by the fact that associates, through their vote, chose which artwork will undergo the restoration. In fact, each month for each region in the competition, 2 artworks are proposed and the artwork which receives the highest number of associates' votes will be restored.

Then, the value of *transparency* is achieved through the possibility to follow the vote process live on the website for the whole duration of the project and through the fact that each person can vote only once per month, so that the choice is not steered. Moreover, everyone interested in following the restoration phases more in detail was given the chance to be updated through the news section with photos and information of the techniques applied by restorers and the state of the art of the work is indicated in the website. Moreover, to be transparent and loyal with associates, Coop has always revealed the amount of the investment dedicated to the campaign. In fact, in the press release and on the annual assembly that Coop Alleanza 3.0 holds to communicate its results and investments, the amount dedicated to "Opera Tua" project has always been disclosed. Additionally, Coop Alleanza 3.0 manages the cooperative with more than 2 million members, with participatory governance to practice transparent and efficient policies within the group.

In addition, Coop Alleanza 3.0 achieved the objective of transmitting values to employees and associates – and to communicate the transparency and credibility of the initiative – by coordinating the launch of the CRM campaign with events, one for the launching and, after each renovation had been completed, a restitution event. In fact, for each restored artwork, Coop organised an event where associates, employees, local institutions and governmental authorities are invited. As discussed in chapter 2, engaging customers, employees and prospects with events is a useful tool to communicate the cause-related marketing campaign, to enhance the transmission of the company values, to make customers develop positive associations with the brand, to enhance brand loyalty and to highlight the link between the campaign-cause and the brand.



Figure 3.5 - Invitation to conclusive event promoted by Coop Alleanza 3.0

Moreover, the possibility to assist to the ceremony of restitution of the artwork enhance the credibility of the campaign, producing tangible results of the investment that can be appreciated by the public prevent the development of criticisms and negative opinions towards the expenses of advertising. Through “Opera Tua”, Coop Alleanza 3.0 achieved the reinforcement of the values of *sustainable development* and *caring for the development of future generations*, by promoting culture accessible to everyone and helping in the maintenance of one of the most invaluable, precious and unique Italian resources: art. Italy is the country with the highest presence of artworks and its artistic and cultural heritage attracts millions of tourists every year (Pirrelli, 2017). The economic value of the Italian cultural heritage, as of 2016, is estimated to be worth €174.8 Bn, not to consider the importance of the value for the history of Italy and the identity of the country (Pirrelli, 2017). Coop wanted to highlight his positioning of a company that takes a lead and makes a difference for the safeguard of the Italian cultural and artistic heritage.

According to File (1995) the number of companies who are choosing art as a means to communicate the relationship between the business of the company and a

cause is increasing. Through art, in fact, companies find new creative sources of funding and, due to the originality in the advertising and creativity and the appeal that it generates, companies succeed in enlarging the customer base. Additionally, on average, creating more public awareness of the cause, registers also more positive attitudes among customers, since the campaign produces tangible results for the restoration of monuments. Moreover, art is considered a unifying topic among groups of customers, without making distinction of gender, geographic and age, as well types of arts (File, 1995). This message emerged also from the survey that I have conducted as part of this research. In fact, the appeal of this cause-related marketing campaign does not differentiate across all demographics and reflects an interest able to bond different people with different background.

Finally, demonstrating the value for *love and integrity* for the national territory has been achieved by the support that has been given with the campaign to small-medium producers in Italy, to enhance the positioning of being the number one supporter locally and aligning the community relations activity more closely to business objectives and making a positive impact for the local communities. More in general, demonstrating that Coop is, first of all, “A customer cooperative society based on people, formed to meet the needs of its members and, more generally, of customers, from an economic, social and cultural point of view”, aligning the brand with the corporate positioning.

Coop Alleanza 3.0 decided to change the nature of the products promoted – that belong to the Fior Fiore premium private label – with the CRM campaign because of the achievement of the second objective of the project: involve customers to enhance brand loyalty.

The nature of Coop’s customer base is that most of customers, according to Aaker’s (1991) pyramid of brand loyalty, have the highest level of loyalty towards the brand. This is partly due to the nature of Coop, being it a cooperative and not only a standard retailer. Indeed, customers are more engaged with it and are not “just” customers (Coop labels its customer as “associates”). To become associates, customers must pay a 25€ *una tantum* membership fee and, in exchange for this, they gain the opportunity to participate in the life of the Cooperative, as a counsellor or volunteer in the organization of social activities. Counsellors are the representatives of the members, democratically elected by all the associates, and are part of the

governing bodies of the Cooperative. For this reason, Coop customers are affectionate to the brand and have a high degree of loyalty towards the brand. Loyalty is particularly important because, unlike other sources of brand equity, it is linked to usage experience (Aaker, 1991). Loyalty cannot exist before the customer has been in contact with and experienced the brand, whereas other brand equity sources (i.e awareness) do not necessarily rely on “usage” in order to generate associations and quality perception. The concept of loyalty is strictly connected to the brand, it is not transferable to another name or symbol without huge investments and a possible loss in the level of sales.

With the scope of this project, Coop Alleanza 3.0 decided to focus both on associate and customers, existing and potential. Associates, in order to reinforce the transmission of the brand values, whereas for those customers who purchase in the superstores without upgrading to the “associate” status, the aim is to increase the conversion rate from customer to associate.

Cause-related marketing strategies permit companies to achieve several objectives. Indeed, additional goals that have been created for “Opera Tua”, will be analysed in depth in section 3.5 through the interview with the management team, Enrico Quarello and Alice Podeschi, who devised and managed the project “Opera Tua”.

3.3. The internal perspective of the project

A comparison of 2017 and 2018 data suggests that, through “Opera Tua”, Coop Alleanza 3.0 might have been able to create an increase in the level of engagement and loyalty.

The sample of the data analysed comes from the internal analysis that has been conducted by Coop. Data are taken from a database containing the details of all the associates that participated in 2017 and 2018 edition, with details on who used the discount and the expenses details.

Besides an impressive increase in the number of unique participants to the initiative (+330% from 2017 to 2018), it emerged that 43% of the customers who participated in 2017 decided to participate again in 2018. Without other additional information on the profile of these customers (due to privacy limitation of data), it can be

hypothesized that the campaign played an important role in increasing these customers' loyalty⁵.

A further analysis on this group shows that these associates were also the most engaged to the initiative. By comparing the average number of votes per customer (which can be used as a proxy for customer's engagement to the initiative), it emerges that these loyal participants were also more engaged than participants who voted for the first time in 2018. Indeed, the former voted on average 3.3 times in 2018, whereas the latter voted 1.7 times on average in 2018. To provide a more comprehensive picture, it must also be observed that the "loyal" customers (i.e. the ones who voted both in 2017 and in 2018) had already been more engaged in the 2017 initiative. In fact, they voted on average 2.2 times, whereas those who voted in 2017 and did not participate in the 2018 edition, voted 1.3 times on average (in 2017). Therefore, although it was not possible to draw causal conclusions on the effect of the campaign (i.e. it is not possible to control a customer's brand loyalty before the initiative), the evidence still suggest that the campaign might have created engagement. In fact, the average number of votes for "loyal customers increased from 2.2 in 2017 to 3.3 in 2018, regardless of the fact that the average number of votes across all participants has been quite stable between the two editions (1.7 in 2017 and 1.8 in 2018).

The diagram chart below summarises the voting dynamics between the 2 editions and the figures in circles represent the number of participants to "Opera Tua".

Analysing "Opera Tua" from different points of view enables a fully understanding of the project and the emerging of rich findings.

Coop's customers – known as associates – have the characteristics of possessing a high level of loyalty and, as highlighted by Aaker (1991), brand loyalty is the core element to build brand equity, because it reflects the level of commitment of a customer to a brand and describes its likelihood to switch from one brand to another. The highest level of loyalty is associated with the "committed buyer" level. Those customers are proud of having discovered the brand and demonstrate fierceness in usage situation.

Indeed, from the data analysis, emerges an improvement in the level of affection and loyalty that participants have demonstrated through the initiatives.

⁵ Source: Coop internal data from the database of 2017 and 2018 customers' participation to "Opera Tua"

The engagement produced by the campaign has improved the number of voters between the 2 editions, as well the improvement in the awareness of the project. As highlighted by Enrico Quarello “We decided to invest more in communicating the program for the second edition for several reasons. First of all, the feedback that we obtained from associates at restitution ceremonies and during our annual assembly, was extremely positive. Associates have appreciated the projects because it respected the goal of Coop of promoting associations with the territory and its excellences. Moreover, our associates highlighted that the technique through which the project has been developed creates engagement and fosters challenges between associates from different regions. This insight was extremely important for us, as our goal through “Opera Tua” is to make culture accessible to anyone by connecting it to playful activities.”

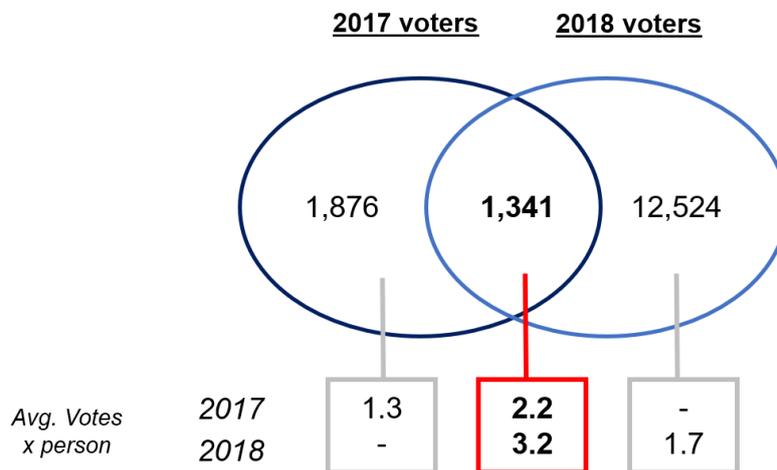


Figure 3.6 - voters dynamics between 2017 and 2018

The affection developed towards the campaign can be explained for several reasons. First of all, according to Hoek (2008), when there is coherence between the link and the cause of the campaign, the loyalty towards the brand is enhanced and demonstrates more engagement with the cause-project. Additionally, Barone (2007) highlights that the affection towards a campaign can be explained through the affect-effect. This effect describes that the affect towards a product or a brand from customers with high level of loyalty is transmitted to other initiatives of the brand. Moreover, the engagement with a cause can be improved if in customers’ perception the link between the firm and the cause supports a worthy cause (Brink, Odekerken-Schröder, & Pauwels, 2006). Finally, customers who demonstrate a high level of loyalty towards a brand act as ambassador of the brand, and are proud of

demonstrating it to other prospects, thus word of mouth suggestions play a significant role in the transmission of a cause-related marketing project (Kozinets et al., 2010)

3.4. Understanding customer associations with the project: the survey

3.4.1. Introduction to the research

The “Opera Tua” cause-related marketing campaign has reached the third edition in 2019 and, due to success of the project, it will likely be implemented at national level in 2020. The current initiative asks associates to register to a webpage, that permits Coop Alleanza 3.0 to obtain a profiling of users in order to obtain more information about their purchasing habits. What emerged from the analysis of the data provided by Coop, is that most of the associates who have participated in 2017, have continued to follow and participated in the 2018 campaign (42% of the participants in 2017, voted also in 2018), thus demonstrating a high level of loyalty and engagement, both with the brand and with the project itself. The main objectives that have been set for the realisation of the campaign are to reinforce Coop’s corporate values and brand image, improve customers and associates perceptions towards the brand and improve the creation of associations with the brand to increase the level of brand loyalty in order to enlarge the customers/associates base. Moreover, Coop wants to demonstrate with this project its commitment to making a positive impact for local communities, which are formed by its associates. Currently Coop Alleanza 3.0, created in 2016 through the merger among Coop Adriatica, Coop Estense e Coop Consumatori Nordest, is the largest cooperative with an associate’s base of 2 million and is expected to increase in the next years. Coop positions itself as a cooperative made for people by people, thus creating campaigns and projects to support this proposition.

In order to proceed with this research, a survey could be an optimal method to investigate on the aforementioned topics are many. The first goal through this survey is to investigate on who are the possible customers and prospects interested in engaging in this kind of cause-related marketing campaign, understand the reasons that drive the participation and the engagement with the project, understand if the technique through which the campaign is developed can be improved and implemented with social media, understand the level of awareness of the campaign

to verify if the communication could be implemented with additional channels and to assess the degree of customers recalling or recognizing the campaign. Moreover, the goal of this research is to understand if there is a relation between the provenience of the artworks and the provenience of the associate as a driver for the vote, to investigate on the idea as art being a unifying factor for the development of the campaign on a national scale and what are the associations that are created between the cause and Coop when developing this kind of cause-related marketing campaign. Finally, the aim of this research included investigating the impact of a CRM linked to art and to the corporate values has an impact on the change of the overall image of the company and how, eventually, the image is affected differently for customers.

3.4.2. Research method

3.4.2.1. Stimuli, survey, data collection criteria

This research is dual in nature: on the one hand, it is exploratory, in that the primary goal is to understand what drives people's choices when it comes to participating to a CRM initiative and how the brand image evolves as a consequence of the campaign. On the other hand, the scope of describing and measuring the relationship between different variables related to customer's choices and perceptions. In this sense, the research assumes a quantitative nature, albeit primarily descriptive as additional and inaccessible resources would be required to draw causal inference on the observed variables.

For the objectives of this thesis, a cross-sectional survey with a combination of both qualitative, open-ended and quantitative, close-ended questions appears to be a possible appropriate method to conduct the research.

Coming to survey design, after a brief description of the project, respondents were asked whether they would participate in such initiative or not. Indeed, with this question, it was possible to discriminate between those who were interested in the project (and, as such, could be impacted by the campaign) and those who manifested no interest in the initiative. If it would not, the questionnaire would end, after asking basic demographics questions. Regarding the latter, the second question asked was meant to understand whether an economic incentive would cause a shift in their mind and increase the appetite of the initiative. If the respondent manifested interest towards the initiative in either way (unconditional or conditional to the monetary

incentive), the questionnaire would continue with questions regarding the drivers of participating in this cause-related marketing campaign, the associations that arise in customers' mind when approaching this project, the development of the campaign on a national or local level and whether the communication of the campaign has been effective, as illustrated in the appendix section. In summary, the survey has a simple flow with a single block, whose access is conditional to the respondent's willingness to participate to the initiative, followed by simple questions about demographic.

Coming to data analysis, the first step was to make sure that there were no major flaws in the dataset, i.e. incomplete answers or other potential issues. As a consequence of this data cleaning process, 3 out of the 683 initial responses were deleted from the sample because incomplete. Secondly, a categorisation of some of the open-ended questions was created by ideating some buckets to classify the respondents' answers. The reason why open-ended questions in the first place were included (vis-à-vis providing interviewees with defined, multiple choice questions) was twofold: firstly, often a limited set of answers was not clearly defined in advance, consistently with the exploratory nature of the research; secondly, to capture immediate and unbiased answers, thereby minimising the bias that arise with aided questions. An example might help to illustrate these points. When asked why they would be indifferent to the physical location of the artwork, respondents were forced to actively think about the answer to this question because it was open-ended (not aided). Having limited the choice in the first place with a multiple choice would have likely biased the results because (i) there could have been many unknown reasons that would not have been captured with an aided question and (ii) respondents would have likely spent less time and attention on this question. Subsequently, the answers were carefully screened and, given that a clear and objective clustering was possible, categorized in broad buckets to allow further analysis. Specifically, it emerged that most answers could be categorised as one (or more) of the following: (i) *"Because Art is universal"*, (ii) *"Because I am interested in enhancing not only my territory, but rather Italy as a whole"* and (iii) *"Because I am aware that other regions might benefit from such an initiative even more than my region"*. Only c.2% of the answers could not be categorised in either of these three buckets and, therefore, were categorised as *"Other"*.

The first piece of analysis relevant for this research is an investigation of who are the customers and prospects that might be interested in participating in this initiative and how the willingness to participate to it differs across basic demographic variables, i.e. age, gender, occupation and geographical provenience. As this type of cause-related marketing initiative is not meant to have a specific target, the initial hypothesis is that there are no meaningful differences across demographics when it comes to the attitude towards the initiative. To test this, a multiple crosstabs were run and the associated Chi-square test between (a) the nominal variable that captures interest in the initiative and (b) the categorical variables related to demographics⁶. As mentioned, the Chi-Square test was not expected to be statistically significant (at 5% confidence level), and therefore the null hypothesis that these variables are independent in pairs is not rejected (i.e. willingness to participate to the initiative is independent from age, gender, occupation or geographical provenience).

Secondly, it is useful to analyse what drives people to participate to the initiative. Indeed, as mentioned during the interview with Coop management team by Alice Podeschi, coherently with the objective of Coop of enhancing art and culture transmission, creating a cause-related marketing campaign that fostered this aim in an engaging and playful means, enabled Coop to enlarge the number of participants, as highlighted by Enrico Quarello “the idea of creating a cause-related marketing campaign with the possibility to vote and make participants choose, reflected our aim to make culture accessible to a large base of people and demonstrate our care towards the territory in which we operate, by conveying the image of culture as a social cohesion as a playful and engaging activity that can be carried out without any distinction”.

Thirdly, and most importantly, an investigation on how the brand perception is impacted by this initiative, both for a general supermarket implementing the initiative and for Coop specifically has been conducted. Related to this point, reflecting the interest in studying if the impact of the initiative is stronger for people who are less sensible to monetary incentives. Being CRM a marketing technique that goes beyond the monetary nature of other traditional promotional initiatives (i.e. discounts), it would be expected that it is more impactful for people who are less

⁶ Age is treated as a categorical variable as respondents are classified into 6 different age groups

sensible to a monetary incentive. Therefore, after verifying that in the sample the monetary incentive is not among the foremost reasons why people would take part in the initiative, respondents were segmented in two groups: “money driven” and “not-money driven”. This newly created categorical variable “*money driven*” assumes the value of 1 if the respondent said that getting a discount coupon is an incentive to participate to the initiative or if she was initially not interested and the money incentive would make her change her mind; 0 otherwise. Then a T-Test was run to compare means between the two groups (*money driven vs. non money driven*) for the variables that measure⁷ how the perception of the supermarket would change after implementing the campaign.

The final piece of the analysis is related to the preference regarding the geographical provenience of the artwork. As argued, CRM should go beyond local dynamics and it could potentially be a means to create bonds among people with different cultures and interests. Therefore, it would be expected that that most people are indifferent as on whether they would prefer to restore an artwork from their region or not.

3.4.2.2. *Sampling design*

This research addressed both customers and prospects, i.e. existing and potential customers. Regarding the sample choice, it is important to take into account that this type of cause-related marketing campaign does not address a specific demographic target. Indeed, “Opera Tua” addresses both the company associates, with the aforementioned objectives, and the potential prospects of Coop Alleanza 3.0, that include all those people who share the same values of Coop but are not associates yet, with the aim of improving the conversion rate from customer to associate, or aren’t willing to become because of other retailers’ preferences. For this reason, a random sample has been chosen because it was not required to isolate specific target characteristics. The only variable that was deemed important to discriminate on was the respondent’s nationality. In fact, a good degree of knowledge of the Italian food retail system was necessary to answer the question about the awareness of the campaign and the image of Coop, and therefore the survey administration was limited

⁷ Variables assumed continuous, with measurement between 1 and 5, captured through a Likert scale from “Completely Disagree” to “Completely Agree”

to Italians only. Besides, this technique allowed to collect a high number of responses in a shorter time (680 valid answers in 9 days). Moreover, although analysing the data from actual participants of the initiative would have allowed the research to comprehend more interesting insights, it was not possible to isolate and distribute the questionnaire only to existing Coop's customers because, due to privacy limitation and the adaptation of Coop to GDPR regulation, it is not possible for companies to communicate existing customer's details and contacts and Coop was not authorized to share those data with externals.

3.4.2.3. Data collection: sample quality and qualitative findings

The data collection process was mediated through an online survey created on Google Forms, which enables a tailored survey flow based on the respondent's profile and reduces response collection time. The survey was mainly distributed on Facebook and other social networks such as Instagram, Twitter and LinkedIn, as well as messaging platforms such as WhatsApp and Telegram. The administration of the survey through social networks has enabled to target a large amount of people and to increase the significance of the sample, reaching interviewees across the different Italian regions and from different ages. Additionally, the survey was distributed through email in order to increase the number of respondents that could not be reached via social media because they did not belong to any. The questionnaire has been shared through some groups that included people across different regions, University groups in order to obtain answers from a young pool of people, in LinkedIn in order to obtain answers from professionals and marketing experts. The distribution of the survey through social media was a less time-consuming tool to reach a copious number of people, located throughout all Italy and belonging to different age classes in a very short time period, whereas emails, on the other hand allow for a certain degree of personalization of the message and consequently, can

increase the response rate. The survey was administered to 683 people in 9 days, at the end of May 2019. Out of the 680 valid responses, 525 came from women (77.2%) and 155 from men (22.8%), which, despite the unbalance, it was not considered an issue because it is widely known that women play a crucial role in the (grocery) shopping decision-making process in our households and are therefore the main targets of food retailers (Chopra, 2014). Coming to the next demographic variable, namely age, respondents from all age groups have been reached, as illustrated by the bar chart below. Notably, most respondents belong to the youngest bucket (age between 18 and 24), which is not surprising given the survey administration methods (i.e. social network, University groups etc.). Related to this point, c. half (50.8%) of the respondents are students, with the remaining being employed, either part-time or full-time. Finally, most respondents come from Veneto and other Northern regions,

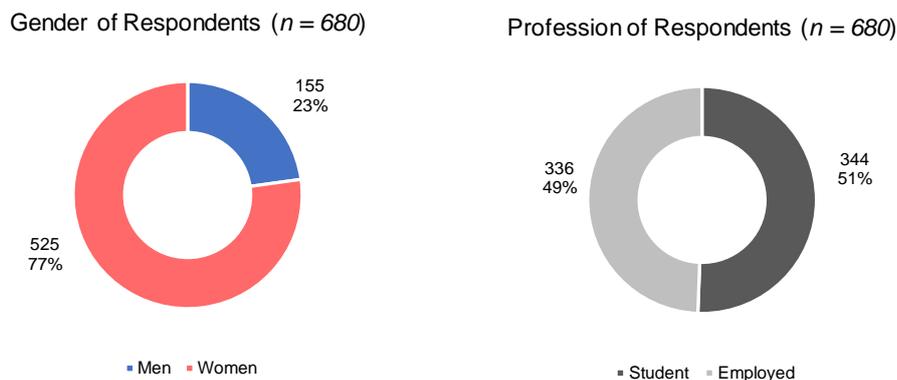


Figure 3.7 – respondents' gender and profession

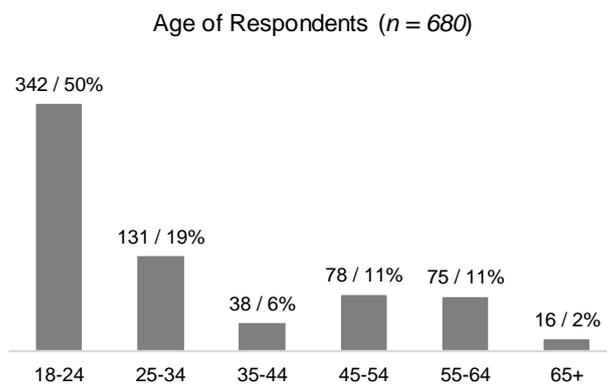


Figure 3.8 – respondents' age distribution

consistently with the geographical footprint of Coop Alleanza 3.0, mostly present in Veneto, Friuli and Emilia Romagna.

In conclusion, although the sample is not evenly distributed across gender and age, it is believed that the external validity (i.e. the extent to which experimental results can be generalised across other people and settings) of the conclusions can be granted. This claim is further strengthened by the fact that meaningful differences in the attitude towards the initiative across different demographics have not been found, as illustrated in the next section.

Geographical Distribution of Respondents ($n = 680$)

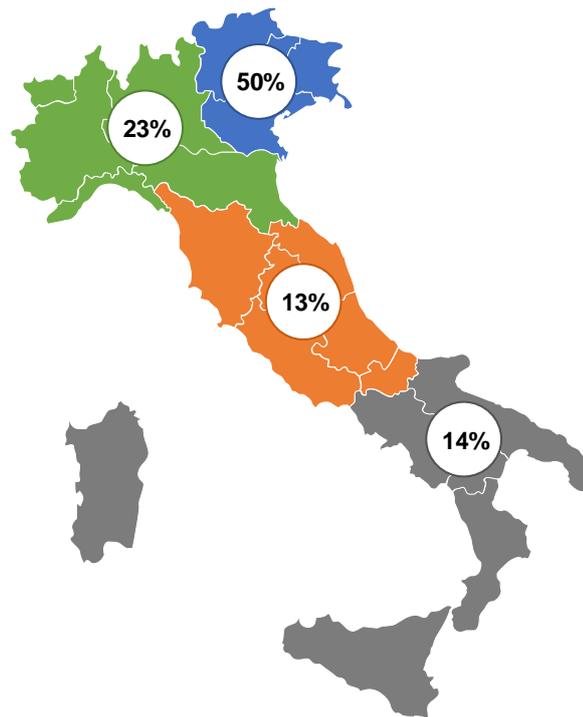


Figure 3.9 - geographical distribution of respondents

3.4.2.4. Data Analysis and results

As argued below, the key findings of this research are in line with the expectations and hypotheses as set out in paragraph 3.4.2.1.

First, the data clearly shows that this cause-related marketing campaign caters to many customers across all demographics. Indeed, after a brief description of the project, 86% of respondent agreed that they would be interested in taking part in it (582/680). Further, when running cross-tabs and associated Chi-Square tests, any meaningful difference in the interest towards the initiative across demographics, as largely expected, has not been highlighted. The table below shows the significance of the Chi-Square test for the independence of demographic variables vs. the variable

representing interest towards the initiative. None of the four tests has a significance level below 0.05 (only the test on gender is marginally significant at 10% level), suggesting that the hypothesis that such variables are independent (i.e. age is statistically independent from interest towards the initiative) cannot be rejected.

Variable	N	D.f.	Chi-Sq.	Sign.
Gender	680	1	3,007	0.083
Age	680	5	1,513	0.912
Occupation	680	1	2,628	0.105
Region	680	19	15,297	0.704

Figure 3.10 - Chi-Square test on demographic variables vs interest to participate

As mentioned, these results do not come as a surprise. Evidence of the popularity of CRM initiatives has been previously highlighted by Ross (1992), showing that one of the most important advantages of CRM is that linking an advertising campaign with a cause enhances the creation of positive feelings and associations towards the brand, with a mutual benefit being achieved by all the actors involved, regardless of the age and the provenience. Moreover, according to File (1995), cause-related marketing enables companies to generate more public awareness of the causes and to foster more positive attitudes towards the cause at large. In addition, according to Adkins (1999), during the first phase of planning a cause-related marketing campaign, companies decide a set of objectives to be achieved within the campaign. In this case, one of the main objectives that has been set by Coop Alleanza 3.0 was to reinforce the corporate values for existing and for potentials customers. One of these values corresponds to grow as a company but caring for the future generations and demonstrate love for the national territory. Thus, linking the cause with the values of the company through a coherent fit, enables firms to enlarge the base of participants and to obtain more participation and engagement in the cause because the fit gives more coherence and reduce the risks of developing ambiguity, as highlighted by Barone (2007).

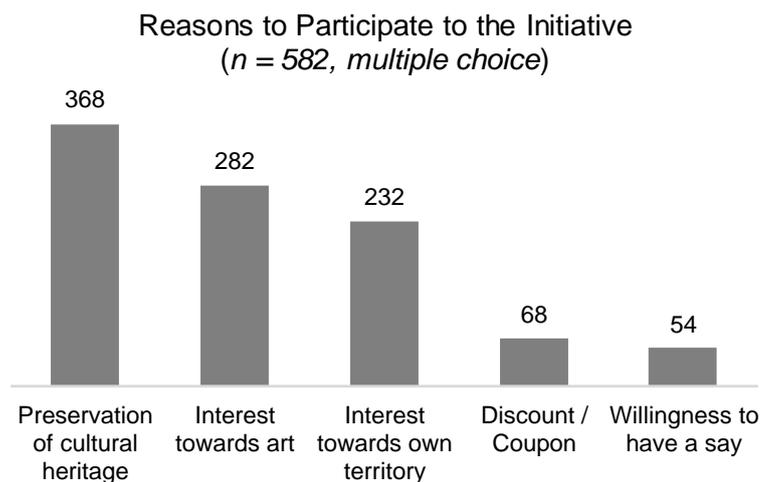


Figure 3.11 - reasons to participate to "Opera Tua"

A second key observation of the research, as anticipated during the interview with Alice Podeschi and Enrico Quarello, is that preliminary and illustrative evidence that the powerfulness of this marketing activity goes beyond the economic incentive provided to participants have been found. Indeed, when asked why they would deem the initiative interesting, only 68 out of 582 (12%) respondents⁸ indicate the economic incentive (i.e. discount) as a sensible reason. Additionally, even for those that initially showed no interest towards the initiative, the economic incentive does not seem to have a concrete impact: less than 1 respondent out of 3 (32/98) would change his mind if he was given a coupon. In fact, the most popular reason to take part in the initiative is the willingness to preserve the cultural heritage (63% of respondents agree), followed by a general interest towards art (48%) and the interest towards one's own territory (40%).

Alice Podeschi and Enrico Quarello themselves would exclude the monetary incentive as a lever to create loyalty through this campaign, as they believe that there is much more beyond a mere discount that can convince people to commit to such a noble and cultural initiative. During the interview, they affirmed that "As we are a cooperative, we make annual reunion with our associates to discuss and verify the state of the art of the projects and is important for us to have the approval from associates. For what concerns "Opera Tua", we administrated an internal survey and organised several focus group to understand the value of the initiatives for our associates and what

⁸ The count of respondents here refers only to those that have responded "yes" to the first question, i.e. to those that agree that they are interested in the initiative

emerged was that the discount is not the driver for the participation, rather the improvement of the territory in which community lives and the possibility to observe concretely the results of the campaign were the real motives for such high level of engagement". As a matter of fact, what emerges is that art and the safeguard of artworks situated in the Italian soil are the associations that drive the participation and generate high level of engagement. According to Adkison (1999), when companies design cause-related marketing campaigns that demonstrate coherence and fit with the value and are coordinated with other campaigns, customers develop positive feelings towards the brand and the cause and there is an increase in the level of loyalty. The developments of these feelings are a useful tool for companies, according to Keller (2011), that aim at enhancing the association of personality with a brand, that is linking and developing in customers mind personality traits that are consequently attached to the brand. Hence, what emerged from the analysis is that customers perceive the initiative as a way to engage with arts and to enhance the value of territories, in line with previous literature. A suggestive evidence is that almost everyone agreed that the participation of the supermarket to the initiative would make them label the supermarket as "*attentive to the territory*".

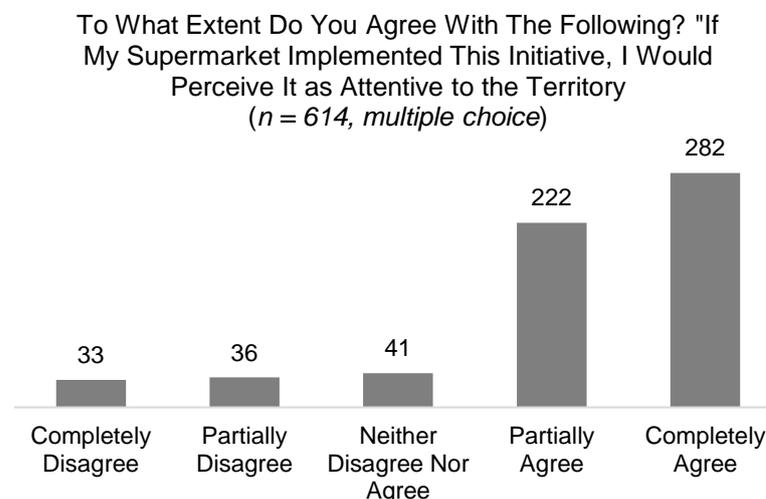
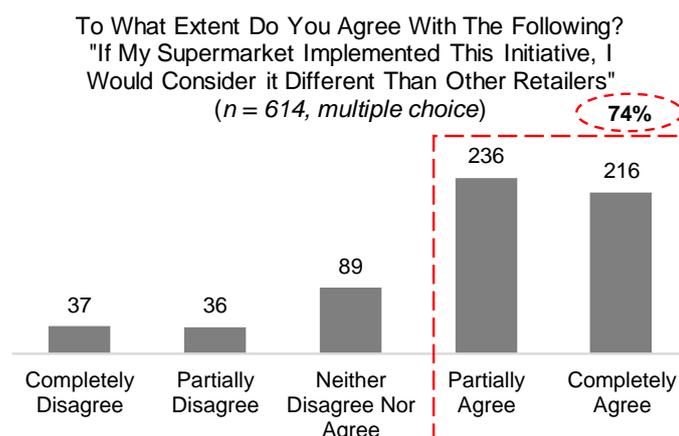


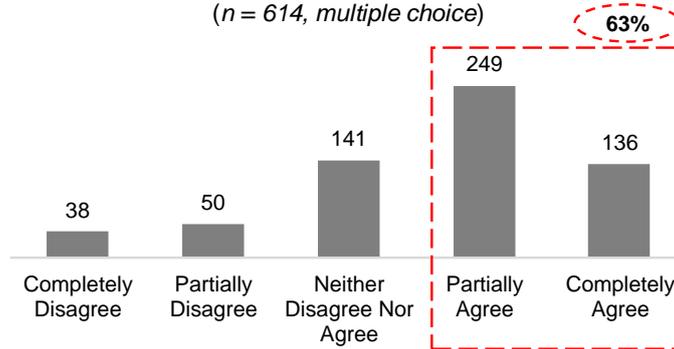
Figure 3.12 - respondents' perceptions about their supermarket being attentive to the territory

According to Adkins (1999), Nan (2013) and Varadarajan (1988), the role of brand fit plays a significant role in the outcome of a cause-related marketing campaign. The project "Opera Tua" was created to enhance the corporate values and improve the brand image and with the aim of reinforcing the message of "Sapori, si parte!" project, born to highlight the excellences of food for each region and promote

the consumption of local and traditional products. Both projects represent a continuum of Coop strategy to be positioned as a cooperative retailer that promotes the accessibility of culture to everyone and that gives its plus back to the territory and its communities, i.e. a retailer that believes that culture is a way to enhance social cohesion between people across all age and genders, thus making art as the universal and linking bond of this strategy, as highlighted also from the interview with Enrico Quarello. Moreover, the choice of doing restoration artworks that are considered as “minor” importance is an additional way for Coop to enhance this message, because each artwork from each city represent and convey values that are strictly linked to the territory and the history of where it is located. According to Varadarajan (1988), engagement with the campaign enhances the participation of people to the campaign because, through the experience, customers feel as they were co-creating the project and contributing personally to the cause. Suggestively, a respondent stated that “It would be nice to know that my purchases contribute to improving the national territory”. Moreover, data from the survey support the argument that this initiative would enhance the perception that customers have of the company promoting it. Indeed, most people agree that they would perceive their supermarket as different than other retailers if it implemented the initiative, that they would change their view/opinion on it and that they would like it more, as illustrated below.



To What Extent Do You Agree With The Following?
 "If My Supermarket Implemented This Initiative, My Perception of it Would Change"
 (n = 614, multiple choice)



To What Extent Do You Agree With The Following?
 "If My Supermarket Implemented This Initiative, I Would Like it More"
 (n = 614, multiple choice)

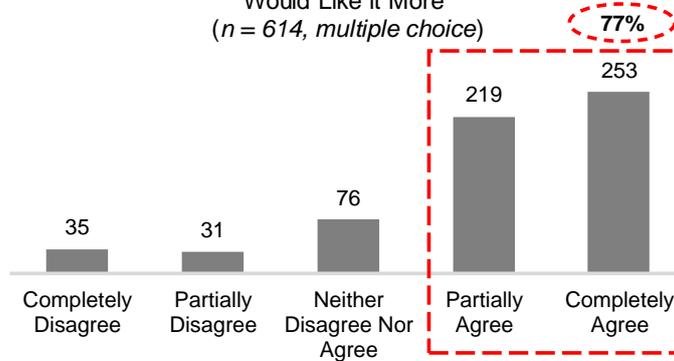


Figure 3.13 - respondents' perception about the supermarket implementing the campaign

This point can be tailored to Coop, as one question referred specifically to this retailer. Most respondent agreed that the perception of Coop would improve as a consequence of the initiative.

How Would Your Perception of Coop Change if it Implemented the Initiative?

(n = 614)

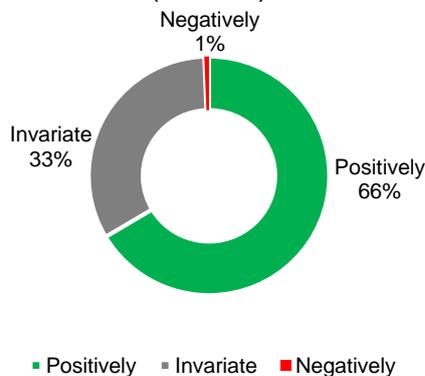


Figure 3.14 - respondents' perception about Coop implementing the initiative

Support for this evidence can be found in previous literature. For example, Keller (2011) and Aaker (1991) agree that the characteristics of cause-related marketing of creating an engagement with the public improves the creation of positive feeling and associations towards the brand, thus enhancing the differential effect of brand knowledge on customer responses to the marketing of the brand. Moreover, according to Adkins (1999), cause-related marketing is a competitive tool for companies to differentiate among competitors and to highlight the coherence of corporate values and positioning. I find anecdotal evidence of these concepts in the answers to the qualitative question about how the customer's perception of Coop would change after the initiative. Several interviewees highlighted that the participation of Coop to this project would improve the image that they have on the company. For example, one respondent stated "I would think that Coop supermarkets have the interests of the community at heart even outside of their main business scope", while another one affirmed that "I would find the social purpose proposed important to improve the image of the supermarket". Then, another interviewee highlighted that Coop's image and perception would be reinforced as "the message conveyed by the initiative is very positive and corresponds to the sensitivity that perhaps only Coop has expressed so well in its reference segment so far. Great consistency and vision". Additionally, supporting the points on corporate values reinforcement and differentiation from competitors, one respondent claimed that this project "would confirm even more the awareness that Coop not only sells products like other supermarkets but it also interacts with the customer through ambitious projects" and "I would see Coop closer to the territory and to the safeguard of art and, therefore, closer to the interests of citizens and not just customers". Additionally, Coop's corporate value of giving back to the territory and caring for future generations would have been reinforced through the initiative as "It would certainly be a demonstration that Coop supermarkets value the territory and the customers of its supermarket, without thinking only of individual growth".

Further, and interestingly, it emerged that the impact of the initiative on people's perception of the supermarket is influenced by the importance that people attribute to the monetary incentive. In other words, people who do not believe that the "discount" component matters in such initiatives are more sensible to the effect that the campaign would have on the image of the retailer. Specifically, as described

in section 3.4.2.1, a new variable to capture people’s sensibility to the monetary incentive has been defined.

	Means		Difference	t-stat	d.f.	Sig.
	Non Money-Driven	Money-Driven				
Perceived Different Than Other Retailers	3.91	3.90	0.01	0.085	612	0.932
Perception of the Supermarket Would Change	3.69	3.39	0.30	2.529	612	0.012
Would Like it More	4.05	3.82	0.23	1.921	612	0.055

Figure 3.15 - T-Test for mean difference between two groups (n=614)

In fact, two groups of people were created, (i) those who agree that the monetary incentive is a compelling reason to be interested in the initiative or who would change their mind on the appeal of the project if a monetary incentive was provided and (ii) those who believe that the monetary incentive does not make the difference in terms of initiative appeal. Then a T-tests has been run for mean difference between the two groups on the questions regarding perception of (i) the market as different than competitors, (ii) the shift in the perception about the supermarket and (iii) the increased liking of the supermarket. As illustrated below, while there appear to be no differences between the two groups in terms of perceiving the supermarket as different, the T-Test on mean difference is significant at 5% and 10% for “changing the view on the supermarket” and “liking more the supermarket”, respectively. This supports the claim that people not driven by economic incentives in a CRM campaign can actually be persuaded the most and show the greatest impact. This is particularly interesting especially because it appears that most people are not money-driven in this type of initiative, as shown earlier.

Additionally, evidence suggests that CRM goes beyond local dynamics, as argued by Varadarajan & Menon (1988) and is a possible means to create bonds across people with different cultures and interests. Indeed, 62% of respondents (380 out of 614) affirmed that they would participate to the initiative regardless of the location of the opera, as highlighted by different respondents of the survey that considered art as an universal concept able to create feelings and associations of patriotism, as admitted by an interviewee who stated that “Because we are a united country and it is right to safeguard the cultural heritage that offers every region in the same way” and that each artwork contributes in the enhancing of the Italian cultural and artistic heritage, as stated by respondents “Because each artwork contributes to the creation and enhancement of a national cultural value” and “Because our country,

although it has many culturally unique regions, there aren't regions whose operas are less worthy. Even if we do not realize that art is a paramount characteristic of our country and our beauty, we should give more value to it, also because it can be considered as a means to attract tourists and obtain economic advantages, as many foreigners love our art and in fact without it we would not be the Italy that we are". Moreover, the aim of Coop of making art and culture accessible, has been reinforced through this campaign, and the local dynamics are not considered important, as discovering and learning about other region's artworks has been highlighted from an interviewee "Because I would be curious to learn about other works besides those coming from my region".

Indeed, when reading all answers to this question, it was straightforward to group them into buckets and thus provide a more concise summary of the reasons why people would be indifferent to the location of the artwork. As anecdotally illustrated above and graphically shown below, the vast majority of respondents agree that art is universal and, therefore, we should not lean towards local artworks only. Also, many people mentioned a broader interest to the whole spectrum of Italian artworks as one of the reasons not to prefer local pieces of art during the selection process.

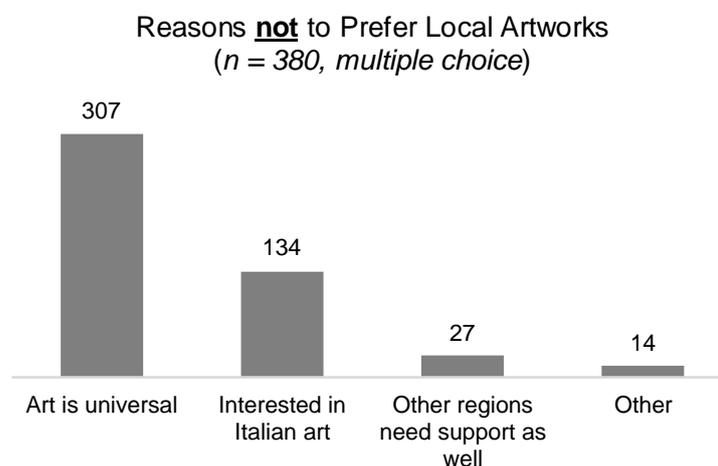


Figure 3.16 – bar chart describing the reasons why respondents would be indifferent to the location of the artwork to restore

On the other hand, 38% of respondents (234 out of 614) still would prefer local artworks than pieces of art coming from other regions. because they would be able to observe the results of the restoration more concretely and they would be more proud in improving the quality of the territory in which they live, as stated by interviewees

“Because this would help keep the culture and history of the region in which I live” and “Because by sustaining the restoration inside my region, it creates a direct link with my own territory and enhancing the promotion of local tourism that is usually undervalued. People are more likely to be part of a cause when it directly touches local realities”.

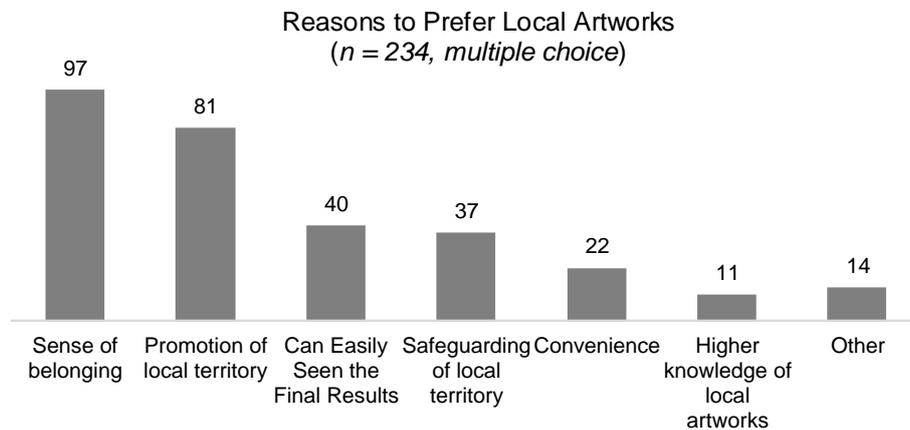


Figure 3.17 – bar chart describing the reasons why respondents would prefer local artworks to restore

Finally, data suggests that an engagement with customer through social media is not perceived as a game changer in this type of initiative. Indeed, only 37% of respondents agreed that they would be more engaged to the initiative if the vote could be cast on a social media platform rather than through a dedicated website. According to Barone (2007) and Demetriou (2010), a marketer who wants to adopt a CRM program must be aware of the fact that, in order for the company to benefit from the campaign, the programme should be well-implemented and communicated co-ordinately with the cause. Companies recognize the importance of improving the quality of the relationships with their stakeholder groups and the community in which they operate, thus expressing a desire of establishing authentic and responsible communication. According to Adkins (1999), in order to achieve a successful cause-related marketing campaign, the communication plan should reflect the fit of the programme. For this reason, the channels of communications should reveal a high degree of personalization for both actors of the campaign, the company and the cause. Moreover, in order to promote a more genuine communication and enhance the level of engagement, companies should implement integrated communication plans. Indeed, as expected from the results of the survey, social media does not appear to be the best main channel to be used for several reasons. First, the

degree of personalization is limited, due to the nature of it. Then, it would not be possible to control the traffic on the page, meaning that both customers and associates can visit the page, whereas the aim of the campaign is to profile participants. In addition, many companies, such as UniCredit and Lush, affirmed that, in order to create a more authentic and genuine communication and to address more specifically their target, they will select on which social network to communicate, thus reducing the number of channels in social media (Graziani, 2019).

In addition and specifically to Coop, this finding represents a good fit with Coop's example, as evidenced during the interview by Enrico Quarello. Coop associates differ from traditional customers of other retailers because, as argued multiple times, their level of loyalty towards the brand is very high. Such high level of commitment and the nature of cooperative of Coop, permits a higher level of engagement than the one that will be possible to achieve through social, where everyone – both associates, customers and potential prospects – could potentially express their vote. As stated by Alice Podeschi and Enrico Quarello “Being Coop associates goes beyond the social media and membership logic. In fact, through the personal page, associates can have access to several facilities and having a personal area with a high level of customization reflects our goal of making feel associates as if they were really part of the cooperative and we want to hear their opinion. Moreover, although the vote on social media would make the vote process less time consuming, we could not be able to profile customers and “Opera Tua” would be less personalized, as we can create the website according to our preferences”. Alice then added that “As we want to set the differences between us and other retailers, we don't think that linking our goal of enhancing culture and art through social media would be our best option. We want to invest in a more direct and true communication with our associates and we are investing significantly in order to achieve this goal”.

In conclusion, consistently with the research expectations, this study suggests that CRM campaigns can cater to many people across all demographics. Besides, the powerfulness of the campaign seems to go beyond an eventual economic incentive provided to customers, as they perceive the initiative as a way to engage with the cause (in this specific instance, art and culture). Also, it shows that CRM enhances the image that people create around the company implementing it, with this association being stronger for people who are not driven by monetary incentives. Additionally,

from the survey it emerges that CRM can be a way for companies to create bonds across people with different cultures and interests and, finally, that most people agree that a promotion on social network would not as impactful be as it would be if conducted through more engaging channels (i.e. a dedicated website).

3.5. Interview and discussion with the management

In order to support the research and to assess this cause-related marketing example from a managerial perspective, Enrico Quarello, managing director of the area Relationships and Activities for the Territory and Coordinator of the Membership Directorate of Coop Alleanza 3.0, Alice Podeschi, Head of Territorial Projects, Social Marketing and Innovation, manager for Social Policies and Territorial Relationship have been interviewed. They represent the management team which devised and is managing the third edition of “Opera Tua”.

With the Interview several aspects have been assessed. First of all, the motives that led Coop Alleanza 3.0 to embark on an art-based CRM campaign and what differs from a traditional advertising campaign. Then, obtaining some precious insights about the objectives that the company has set when developing the campaign and the future directions. Moreover, an important part of a cause-related marketing campaign is to create a connection between the campaign itself and an event, or a moment where the company meets the cause. Specifically, for “Opera Tua” campaign as highlighted above, for each artwork that undergoes the restoration, a restitution event is organised, where the associates meet Coop team and the press and institutions are involved. As highlighted by Keller (2011) and Ehrlich (2012) event marketing is a useful tool for companies in order to engage with customers, prospects, stakeholder and improve the relation with the local community in which the company is based and with institutions.

The choice of embarking on a CRM campaign rather than on a traditional advertising or promotional campaign has been developed because “Coop Alleanza 3.0 and, more in general Coop, do not represent the basic and classic retailer company. We, as a cooperative, extremely believe in giving back our plus to the territory, its community and to its excellences, as well as increasing our connection towards it. When we first started ideating the project, we based our decision on a similar, though smaller project, that was realised by Coop Adriatica in 2015 for the restoration of the

“Leone Alato”, in Palazzo Ducale in Venice, consisted in associates donating the loyalty points associated to the membership card to the restoration” says Enrico Quarello. Moreover, linking the motives for embarking in a CRM campaign to the value of love and integrity for the national territory gives coherence to the project and is one of the means of reaching the campaign’s objectives, that are, first of all, those of reinforcing Coop corporate values and transmitting the idea of being number one for the territory. To support this, Alice Podeschi added that “this project supported the goal of Coop Alleanza 3.0 of giving value to the territories and the projects that we have already been supporting towards it. Moreover, we believed that investing in a project that is art related is a strong tool for communicating that Coop supports culture as a driver for cultural development, cohesion and social integration the driving towards culture and to promote the national territory in which we live, where our associates are based and where our business is born”.

CONCLUSION

The importance of developing authentic brands has increased significantly over the years. In fact, brands are considered as independent assets for companies, which develop strategies to increase the value of their brand and which strives to communicate genuinely its value to customers. In parallel with the business literature on branding, since 1980, the importance of considering the management of brand separately from the business core activities has led to the development of the concept of brand equity. This reflects the need of considering the value of a brand and to manage it properly.

The aim of this thesis is to illustrate the importance for companies to manage the development of their brand through the concept of brand equity and, in order to achieve this, the strategies that can be adopted. Cause-related marketing, in fact, is an important tool for companies to achieve this goal and an innovative strategy that has been gaining importance over the years. In order to have a complete understanding of the importance of brand equity and how it can be achieved through cause-related marketing, the case study on Coop Alleanza 3.0 will provide significant insights on the topics.

Branding is essential for companies who wants to differentiate because it creates the mental structures in customers mind in order to help them organize their knowledge about products and services, as well as perceiving differences between brands in a product category.

Since the development and the increasing attention towards brand management, brand equity has gained importance in companies' strategy.

Brand equity, as argued by previous literature (Akker, 1991; Keller et al., 2011), can be defined as the set of assets and liabilities that are connected with the brand, its name and symbol, that add or subtract from the value provided by a product or a service to a firm and/or to the firm's customers. Moreover, brand equity represents the differential effect of brand knowledge on customers response to the marketing of that brand.

Specifically, customer-based brand equity model – also known under the acronym CBBE – approaches the concept of brand equity from the perspective of customers, determining their response to a brand marketing activity through the analysis of the differential effect of brand knowledge on customers' responses to those activities.

This definition highlights 3 important concepts: differential effect, brand knowledge and customer response to marketing. The first one compares customer responses to the marketing of a brand with the response to the same marketing of a fictitiously, named or

unnamed, version of the product or the service; the second one concerns brand awareness and brand image and how they are perceived by customers through associations with that brand, meaning the set of knowledges customers attached to a brand; the last one evaluates customers' perception, preferences and behaviours that arise from the marketing mix activity. These concepts highlight the importance of developing marketing strategies and communicate them to customers genuinely and with authenticity. For this reason, developing marketing strategies that are innovate and creative, is important for firms to differentiate. Cause-related marketing, in fact, is an important tool for companies to achieve this goal. Through the project "Opera Tua", Coop Alleanza 3.0 demonstrates the need of developing long term sustainable marketing strategies in order to communicate a different positioning to its associates and customers.

Brand equity is based on the assets and the liabilities that a firm has. It occurs when customers have in their memory some strong, favourable and unique associations with a brand. The objectives of embarking on a cause-related marketing campaign, as discussed in this research, have been for Coop Alleanza 3.0 an opportunity to develop strong, unique and favourable associations between the brand and its customers. This enabled Coop to reach the aim of enhancing corporate values to its customers through innovative and unconventional advertising.

The set of assets and liabilities on which brand equity is based has been categorized by the literature (Aaker 1991) under 5 drivers: brand loyalty, brand awareness, perceived quality, brand associations and other proprietary brand assets.

Brand loyalty is the core element of brand equity and reflects customers' level of attachment towards a specific brand. It can be expressed under several forms and its level can vary. Brand loyalty is an important tool for building brand equity because it is linked to the use experience of customers towards the brand and it cannot exist before the brand has actually been experienced. Connecting the brand with the experience of it generates the kind of memory links to the use context and the user that any traditional advertisement would have great difficulty in generating. As highlighted during the case study description, one of Coop's objectives when developing "Opera Tua" cause-related marketing campaign, is to enhance the loyalty of existence associates and gain new customers. As stated by Keller (2011), brand loyalty is one of the key drivers of brand equity and is a significant element for companies, as it reflects how devoted a customer is to a brand and describes the likelihood of a customer to switch from one brand to another.

The nature of Coop's customer base is that most of customers can be considered, according to Aaker's (1991) pyramid of brand loyalty, to be positioned between the group of "likers" of the brand – those who might have emotional attachments to the brand built over the time with associations such as symbols, use experiences and high perceived quality – and committed buyers – those who are proud of having discovered and used the brand and they demonstrate it, through recommending it to others and who believes that the brand is important for them functionally and is an expression of themselves. The attachment and loyalty of Coop's customers to the brand has been also highlighted by the management team which have been interviewed for this thesis; in fact, they highlighted that through this kind initiative, repeated purchases and positive feedbacks from associates have been registered.

Brand awareness is the second key ingredient for developing brand equity because it enhances the creation of the differential effect in customers mind that drive brand equity. It represents a significant tool for measuring responses to the marketing activities of that brand. The CBBE model does not make a distinction in the formation process of associations towards, rather it focuses the resulting favourability, strength and uniqueness nature of those ones. Thus, awareness and image can be implemented through the direct exposure to the brand by the firm. During the administration of the survey, used to assess the objectives of this thesis under a different perspective, responded that they would have expect this initiative to be completed by Coop as it is coherent with their values and strategy.

In addition, perceived quality enhances the creation of brand quality because it reflects customers' perception of the overall quality or superiority of a product or service compared to competitors' alternatives.

Brand associations, whereas, represent anything which is deep seated in customers' mind and linked in memory about the brand. The nature and form of associations can vary. Cause-related marketing has been identified by the literature (Adkins, 1999) as a strategic tool to foster the development of associations towards a brand, as well as improving the creation of positive attitudes and feelings.

The last driver of brand equity corresponds to the proprietary brand assets of a firm that enhances the differential effect in customers' mind, such as the name, the slogan, the logo and the symbol.

The marketing mix of companies should be planned in order that every part assesses brand equity. In this framework, cause-related marketing becomes a vital tool for companies to achieve brand equity.

Although the literature has not conceived a single and unique definition of cause-related marketing, Varadarajan (1998) defines it as “the set of activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives. Cause-related marketing – also known under the acronym of CRM – is an innovative and strategic tool for companies to build brand equity because it enhances the creation of differential effects with respect to competitors. Additionally, the creation of unique association provided by the link between the company and the cause, allows companies to improve the base of loyal customers, which have great awareness of the brand and act as ambassadors.

The social and political environment in which companies operate has changed a lot lately, as well as the expectations that customers and governmental actors have towards companies. A deeper understanding of customer needs, while at the same time achieving business goals responsibly has become a great challenge for companies. Cause-related marketing is a tool for companies to overcome these challenges. In fact, one of the main characteristics of CRM, is the achievement of mutual objective, both from the company and the cause. Companies, on the one hand, are able to reach business goals, for example an improvement in the level of sales or the market share, whereas at the same time, the cause (that can take several forms) receives the support that governmental actors and public entities are not able to give.

There are 4 main forms of cause-related marketing: CRM transaction, CRM promotion, CRM licensing and sponsor and CRM joint fundraising.

Cause-related marketing of transaction consists in companies designing commercial programmes from whose sales will be devoted to the cause, thus involving the customer to participate to the cause through a purchase. This strategy aims at reaching the growth and the maximization of the profits through the improvement of the level of sales and an increase in the customer base, as well as achieving social goals.

Cause-related marketing of promotion consists in the usage of the company's product as a means of communicating the message and the cause supported by the company, that can be represented by a non-profit organization, a public party, a change in the behaviour

or the support of specific ideas and other forms. This strategy includes transmission of the company's messages through different media channels, from TV advertising to Internet, print and press campaigns. The content of the message will focus on the objective of the campaign, for example it can be linked to a particular sales promotion campaign, it can involve the business aligning with a particular good cause so that the advertising communicates the cause message, the entrance to a new geographical area or target or it can involve the enhancing and reinforcing of the brand reputation building. Then, cause-related marketing of license and sponsor consists in the organization granting its own brand in exchange for economic quantification, through the sponsor of a specific activity or event.

Lastly, cause-related marketing of joint fund raising consists in the organization granting its tools and resources to support a cause, thus becoming an intermediary between its customers and the cause. This strategy acts as a "facilitated giving", where the company provides tools to facilitate customer donations to the cause. For what concerns Coop Alleanza and "Opera Tua" project, the typology of cause-related marketing campaign has been developed under the form of promotion and then of transaction.

Cause-related marketing strategies are created by companies with the aim of achieving several objectives. In fact, Coop Alleanza 3.0 decided to set as main goals to be achieved throughout the project the reinforcement of the corporate values, such as giving back to the territories, transparency and cooperative democracy, enlarge the associates base and increase the level of sales.

The case study about Coop Alleanza 3.0 describes how a cause-related marketing campaigns has been planned and implemented in the overall brand management for the improvement of brand equity. The nature of the CRM campaign created by the company links Coop Alleanza 3.0 to the cause of restoring monuments across Italy. In brief, "Opera Tua", the name given to the project, starts as a cause-related marketing campaign of promotion and transaction. The project is an initiative of cause-related marketing campaign that consists in a metaphorical journey across 7 Italian regions combining the restoration of artworks with the enhancement of the excellence of typical local food and wine specialties.

In order to have a complete understanding of the project, it has been analysed under 3 different perspectives. First, through the analysis of some data provided by Coop, gaining an overview of customer participation and engagement to the initiative from an internal

perspective. Second, through the adoption of an external perspective, through an analysis on how this type of cause-related marketing campaign impacts a company's brand equity and what associations develop in customers' mind. This goal is achieved by means of a cross-sectional survey administered to c.680 people, between existing and potential customers. Third, through the analysis of the initiative through a managerial perspective, by conducting an interview with the Coop Alleanza 3.0 team who has devised and managed "Opera Tua".

After having analysed this cause-related marketing campaign under different perspectives, the research suggests that CRM campaigns can cater to many people across all demographics. Besides, the powerfulness of the campaign seems to go beyond an eventual economic incentive provided to customers, as they perceive the initiative as a way to engage with the cause (in this specific instance, art and culture). Also, the research shows that CRM enhances the image that people create around the company implementing it, with this association being stronger for people who are not driven by monetary incentives. Additionally, from the survey it emerges that CRM can be a way for companies to create bonds across people with different cultures and interests and, finally, that most people agree that a promotion on social network would not as impactful be as it would be if conducted through more engaging channels (i.e. a dedicated website).

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APPENDIX – SURVEY

Hello everyone! ;)

My name is Giulia, I am about to finish my degree in Innovation and Marketing at Ca' Foscari University of Venice and I'm writing my master's thesis on a particular form of advertising through initiatives related to the restoration of artworks, that is, strategies of cause-related marketing.

I kindly ask you to answer this brief survey, as it is very important to me!

Your data will be processed anonymously and will be used only for research purposes for the thesis.

Your supermarket is about to launch a new project to sponsor the restoration and enhancement of works of art through an 8-stage itinerary in as many Italian regions.

Each month, two masterpieces from each region in the competition are offered to customers who, by voting online, determine which opera to allocate the funds that the supermarket has arranged for recovery, thus going to restore 8 artworks in 8 different regions. To participate in the restoration initiative, you should become a member of the supermarket through fidelity card and, with your account, vote on the website dedicated to the project.

Q1 After reading the description of the initiative, would you be willing to participate in the project?

- Yes (1)
- No (2)

"If Yes" to Q1 survey block

Q2 Having answered YES to the first question, what are the reasons why you would take part in the initiative? (Multiple choice)

- Generally interested in art
- Generally interested in territory
- Safeguarding of cultural heritage
- Willingness to express your opinion
- Receive a € 2 discount voucher on a selection of products
- Other _____

Q3 How much do you agree with the following statements? Your supermarket's participation in this initiative:

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
a. You would consider the supermarket as attentive to its territory	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. You would consider your supermarket as different from others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. You would change the image you have of your supermarket	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d. You would appreciate more your supermarket	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e. You would be proud to make your purchases there	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q5 Would you recommend to your friends, you relatives and your acquaintances to participate in this initiative?

Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q6 As for your vote, you would be more willing to vote when the works of art in the competition:

- They belong to your region of origin (1)
- They belong to other regions, different from yours (2)
- Indifferent (3)

According to what has been selected in Q6:

If "they belong to your region of origin" is selected

Q7 (a) Why would you be more inclined to participate in the vote when the works of art in the competition BELONG to your region of origin? _____

If "they to other regions, different from yours" is selected

Q7 (b) Why would you be more inclined to vote when the competing works of art DO NOT BELONG to your region of origin? _____

If "Indifferent" is selected

Q7 (c) Why would you be INDIFFERENT to the fact that the artworks belong to other regions other than your own? _____

Q8 Assuming that the initiative is promoted by Coop supermarkets, would your image of the brand change? _____

Q9 If the initiative would take place on social networks, for example on Facebook, would you find it more engaging?

- Yes
- No

"If No" to Q1 survey block

Q10 Having answered NO to the first question, what are the reasons why you would NOT participate in the initiative?

- I have no particular interest in art and cultural heritage
- I have no particular interest in safeguarding my territory
- I do not believe that this initiative has a concrete impact
- I'm not interested in answering the survey
- Other _____

Q11 If you were awarded with a 2 € discount voucher to spend on a selection of products, would you be more willing to participate to the initiative?

- Yes
- No

After the "If Yes / If No" block of questions, "demographics" survey block

Q12 What is your gender?

- Male

- Female

Q13 How old are you?

- 18 – 24
- 25 – 34
- 35 – 44
- 45 – 54
- 55 – 64
- 65+

Q14 What is your occupation?

- Student
- Other

Q15 Which is your region of origin?

- Abruzzo
- Basilicata
- Calabria
- Campania
- Emilia-Romagna
- Friuli-Venezia Giulia
- Lazio
- Liguria
- Lombardia
- Marche
- Molise
- Piemonte
- Puglia
- Sardegna
- Sicilia
- Toscana
- Trentino-Alto Adige
- Umbria
- Valle D'Aosta

- Veneto

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