

Empower cause marketing for sustainable social change

 By Sheila McGillivray

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Anyone looking for a cause need look no further. South Africa has lots of them. More than 12 million South Africans go to bed hungry. Informal settlements are home to 54.5% of South African households. Half our population lives below the poverty line. An estimated 16 million South Africans live without proper sanitation and 3.5 million have no access to safe drinking water.

Then there's AIDS, TB, functional disability and many other issues that demand urgent attention and deserve greater funding. However, to make a difference, sufficient funds have to be applied over many years.

Government can't do it all. It's got more causes than money. Which is why there is continuing need for corporate social investment (CSI) or socio-economic development contributions, the preferred government terminology.

Companies are therefore encouraged to make socio-economic commitments via the points system established by the Broad-Based Black Economic Empowerment codes.

Charitable years

Many corporates embraced charitable giving years before empowerment legislation came in. However, the BBBEE focus on CSI has ensured more and more companies now make social contributions.

Areas that enjoy official approval for BBBEE purposes include environmental conservation, infrastructure and rural development, urban renewal, development programmes for women, youth and people with disabilities, healthcare and HIV/AIDS, education, community training and many more.

So, lots of official hints are given to companies on *where* to get involved. There's less information on how.

Official definitions mention both monetary and non-monetary contributions. Traditional cheque-book philanthropy will do.

Return on investment

There is at least one glaring omission in the codes. Contributions (investments) are mentioned, but not returns on investment. Returns, clearly, are essential for any sustainable intervention by business.

In recent years, marketers and corporate strategists have given focused attention to ways of linking business needs and

social needs.

The mechanism that combines the two is called cause-related marketing. It has delivered substantial and sustainable gains for many years. Those gains are measurable on the bottom line of the businesses concerned and by the social beneficiaries of cause-marketing initiatives.

Sadly, our empowerment legislation makes no reference to cause-related marketing and gives no assurance to companies and brands that a cause-marketing initiative will receive scorecard recognition. Clarity on the issue would be welcome.

An official endorsement for cause-related marketing could have highly beneficial effects.

Continuous involvement

Corporate social investment (as opposed to cause marketing) has traditionally been a matter of signing a cheque. The cheques flow until donor fatigue sets in or CSI parameters change. Sustainability then falls by the wayside.

Cause marketing, on the other hand, ensures continuing corporate involvement as the initiative is designed to meet long-term business objectives, including improved customer retention, enhanced consumer loyalty, increased sales and market-share growth.

Consumers tend to be receptive. According to one US study, 87% of consumers say they would switch brands because of a brand's alignment with a good cause.

Many business leaders also favour social engagement. Forbes research says 93% of a sample of global executives thought their businesses could create economic value by creating societal value.

This helps to explain the growth of cause-related marketing. IEG Inc, a Chicago firm, says the spend on this type of win-win marketing is expected to reach \$1.78 billion by the end of 2013, up 193% on the \$922 million spent in 2003.

Of course, these figures are from America, the largest market for this discipline, but South African brands also make increasing use of this tool.

Cause marketing

Nedbank was an early adopter and the Centrum Guardians campaign to support South Africa's emergency services personnel has received international recognition.

The impact of such campaigns can be substantial.

Sue Cartwright, marketing manager of Pfizer Consumer Healthcare South Africa, comments: "The Centrum Guardian Project has been win-win for both Pfizer Consumer Healthcare and South Africa's emergency services industry. It has played an integral role in the commercial performance of the Centrum brand since its inception in 2008 - helping the brand achieve double-digit growth year-on-year, driving category growth and continuing to gain market share points each year.

"For the emergency services industry, the project has helped to provide much-needed recognition and reward for the work they do while supporting upliftment efforts through extensive sponsored training - an excellent example of 'doing good while doing good business'."

Despite successes like this, cause marketing utilisation levels remain low locally, especially when set against the scope for social engagement in our country.

Typically, a brand works in close partnership with the cause concerned.

Social value

Support not only takes the form of cash, but time and resources. Often, a company's people become totally engaged, creating strong momentum and big gains.

Marketplace success helps to ensure efforts are sustained and real social value is added.

When social backlogs are so entrenched, more initiatives like this should be undertaken in our country. Which is why it's such a pity that government did not use the publication of the new empowerment codes as an opportunity to encourage greater commitment to cause marketing by corporate South Africa.

This is far from a lost cause, however. There's still time for policymakers to clarify the issue and say there is no reason why cause-marketing initiatives should not qualify for empowerment points.

ABOUT SHEILA MCGILLIVRAY

Sheila McGillivray's knowledge of the advertising industry spans four decades. Sheila's energy, enthusiasm and passion for her work has grown with every new position and challenge. Her experience in the industry is exceeded only by her willingness to keep learning and innovating.

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