Cause Related Marketing
-The non-profit and for-profit perspective

An analysis of Nike and (RED)’s collaboration;
“Lace Up Save Lives”

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Summary

This thesis is based upon an interest in Cause Related Marketing (CRM) and a desire to understand how a CRM initiative can benefit both the non-profit and for-profit organisation involved. Therefore, the main focus of this thesis is to explore the motives, benefits and risks of a CRM collaboration from both parties’ perspective. This is done through a theoretical discussion. Furthermore, the theoretical findings are tested on a case study in which Nike and (RED)’s collaboration, “Lace Up Save Lives”, will be analysed.

Thus, the thesis takes a deductive approach to exploring the subject area. However, the scientific method that is abided by is hermeneutics which is supplemented with social constructivism. This scientific method allows the thesis to concentrate on giving a thorough understanding of CRM and how a CRM collaboration can benefit or harm the parties involved.

The theoretical discussion opens with an examination of the areas of postmodernity, Public Relations (PR) and Corporate Social Responsibility (CSR), which lays the foundation and context for understanding and discussing the concept of CRM. The findings show that consumers in today’s society want products that signal their lifestyle and help create a desired image to their surrounding world. Moreover, they are no longer only interested in the products they purchase, but also the organisation behind the products. Thus, PR, as an organisational practice, is becoming increasingly important in order to create and sustain a certain image of the organisation among its stakeholders.

Moreover, organisations have been put under growing pressure to exhibit good corporate citizenship. Theorists argue that CSR has become a competitive parameter for the organisation and can be used to create a favourable corporate image and develop positive relationships with their stakeholders, which consequently leads to retaining business and higher profit. As CSR has been gaining ground within the business world, CRM has become a popular tool for organisations to communicate their CSR commitments. CRM is based on a collaboration between a for-profit and non-profit entity for their mutual benefit. Thus, CRM is often considered a win-win-win situation in which the consumer, the for-profit and the non-profit organisation all benefit.

This notion is explored with an in-depth theoretical discussion of the motives, benefits and risks that is involved in a CRM collaboration from both the non-profit and the for-profit perspective. For the organisation, the benefits seem to cluster around concepts such as improved image, reputation, credibility and goodwill. On the other hand, the major motives and benefits for the NPO are greater
awareness and publicity as well as additional funding. For both parties, many of the risks revolve around the choice of partner and how one party’s negative publicity can rub off on the other which can be damaging to its image and reputation.

The theoretical discussion further reveals that the choice of partner is fundamental in creating an effective collaboration. A fit between the values, image and identity of the two parties involved is particularly important. This can strengthen the collaboration and ensures that the consumers understand and accept it. Thus, it makes it more likely that both parties will reach their respective goals and both benefit from the collaboration. Based on this, an analysis model is developed and applied to the case of Nike and (RED) to analyse their collaboration. This reveals that several overlaps between Nike and (RED)’s identity, image, values and customers exists which demonstrates an immediate basis for an effective CRM partnership.

The above analysis creates a foundation for an analysis of the specific motives, benefits and risks that Nike and (RED) can draw from the collaboration. This analysis demonstrates that the collaboration carries potential benefits and risks for both Nike and (RED). The benefits include increased funding for (RED) and the possibility of reaching a new customer segment for Nike. Furthermore, both Nike and (RED) can benefit from increased awareness and publicity as a result of the collaboration, which could also help to build a favourable image among their customers. However, there are also certain risks connected to the collaboration. Some elements such as the vague communication surrounding the campaign could have a negative impact on both partners’ credibility and image. Furthermore, a substantial risk lies in the criticism connected to both Nike and (RED) and the chance that negative attitudes towards one partner will rub off on the other.

Based on this analysis, it is concluded that Nike and (RED) are compatible partners in a CRM collaboration and that, despite certain risks, the “Lace Up Save Lives” campaign holds great possibilities of creating preferable situations for both Nike and (RED).

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Part 1: Introduction

1 Motivation

The postmodern conditions of our society necessitate a shift in the way organisations do business and relate to their stakeholders. The postmodern consumer demands more and more of organisations and “What was value added yesterday is value expected today” (Adkins, 1999, p. 27). The consumers are no longer only interested in the products they purchase, but also the organisation behind the products. Thus, Public Relations (PR) is becoming increasingly important in the management of communication between an organisation and its stakeholders. PR focuses on creating relationships with its stakeholders in order to position the organisation favourably and produce goodwill among its various stakeholders (Gordon, 1997). This means that, in order to sell products, an organisation needs not only to focus on product-oriented marketing but also create a good image and sell itself through planned PR communication.

As a further consequence of this, organisations in a postmodern society are also expected to be good corporate citizens. Organisations have hereby undertaken a social role and must, like any other citizen in society, tackle the responsibilities that come with this. This demand for corporate responsibility has created an increased awareness and interest in Corporate Social Responsibility (CSR) among organisations. Thus, CSR is winning ground as a popular PR tool and effective CSR practices have been shown to elicit positive attitudes among stakeholders and positively affect the bottom-line (Yoon & Schwarz, 2006, p. 377).

However, organisations sometimes find it hard to meet their stakeholders’ demands for ethical and social responsibility with the traditional marketing tools available. This has resulted in a relatively new tool within the field of CSR; Cause Related Marketing (CRM). CRM is a concept that includes different forms of collaborations, where a for-profit organisation1 and a non-profit organisation (NPO) create a joint marketing campaign (Adkins, 2005). Generally, this involves a commitment by the organisation to support the NPO with monetary donations often linked to the sales of a specific product and in return, the organisation can utilise the NPO’s good public image (Ibid). CRM is intended to create a mutual beneficial partnership between an organisation and a NPO and, if

1 A for-profit organisation will be referred to as an organisation for the remainder of this thesis.
successful, results in a win-win-win situation that benefits the organisation, NPO and consumers (Ibid).

CRM is therefore a particularly interesting CSR tool to discuss, since it links marketing and PR in a campaign that means to benefit both the organisation as well as the NPO and its cause. Thus, it involves such seemingly non-combinable entities as ethics and profits and commercialism and charity. But, how do you combine these entities in such a way that they benefit both partners in the collaboration and does a CRM collaboration always end up in a win-situation for the organisation and NPO? These questions create the frame and point of departure for this thesis, which aims to examine and discuss the concept of CRM from both the organisation’s and the NPO’s point of view.

It is of particular interest and importance to examine the notion of CRM from both perspectives since most research so far has focused on CRM from the perspective of the organisation while somewhat neglecting the NPO’s perspective and the interplay between the organisation and NPO. Therefore, in order to shed light on how two organisations with seemingly conflicting goals and objectives can benefit from entering into a partnership, we wish to focus on examining the notion of CRM from both perspectives. In order to fully do this, we will take a theoretical approach while also using the CRM collaboration between Nike and (RED) and their campaign “Lace Up Save Lives” as an illustrative case study.

1.1 Choice of Case Study

In November 2009, (RED) embarked on a partnership with Nike and launched a new campaign “Lace Up Save Lives” to help fight AIDS in Africa (Appendix 1). We find this partnership interesting to look into due to its recent establishment, which also makes it very relevant since the dynamics of this collaboration has yet to be explored.

(RED) is a NPO that does not characterise itself as a charity, but rather as an economic initiative that focuses on promoting and transforming consumer power into a financial force to help others in need (Appendix 2). Thus, one of the primary reasons why it is interesting to focus on (RED), is (RED)’s untraditional and unique approach to raising money and awareness for its cause. Furthermore, Nike is a global brand that has a huge customer base (Klein, 2001) and a well-developed brand identity (Aaker, 2002, p. 99). However, Nike has previously been the subject of much controversy regarding its labour practices in its factories in Asia (Parloff, 2002). These factors
makes this particular partnership one that covers several interesting aspects and raises questions of whether or not this is in fact a favourable collaboration that will benefit both parties.

2 Problem Statement

Keeping this in mind, the purpose of the present thesis is to answer the following problem statement:

From a theoretical perspective, what benefits, motives and risks could a CRM collaboration hold for both the for-profit and the non-profit organisation and how does the collaboration between Nike and (RED) and their campaign “Lace Up Save Lives” fit into this framework?

The purpose of this thesis is to explain and discuss the concept of CRM from both a for-profit and non-profit organisation’s perspective by engaging in a theoretical discussion as well as using the illustrative case study of Nike and (RED).

In order to fully cover all the aspects of the problem statement, this thesis will take its point of departure in a theoretical discussion of the concepts of postmodernity, PR and CSR. Hereafter, we will engage in a deeper discussion of CRM which will investigate the concept from the perspective of both the NPO and the organisation. Within this discussion we are particularly interested in analysing the benefits, motives and risks that a CRM collaboration can hold for both types of organisations in order to shed light on how such a collaboration can function.

Following the theoretical discussion, a more practical approach will be taken through the use of an illustrative case study where we will analyse the partnership between Nike and (RED); “Lace Up Save Lives”, based on the theoretical foundation laid out in the previous sections. Based on a description and analysis of Nike and (RED) respectively, an analysis of the specific collaboration and the campaign “Lace Up Save Lives” will be carried out. Our aim with this analysis is to gain a thorough understanding of this particular CRM collaboration in terms of motives behind the collaboration and the associated benefits and possible risks that Nike and (RED) may face as a result of the partnership and campaign. This analysis will be carried out from the point of view of

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2 This part of the problem statement will for future referencing be referred to as part 1
both Nike and (RED) respectively, to discuss the outcomes that the collaboration could have for both parties³.

3 Theory of Scientific Method

The problem statement lays out the scientific frame in which this thesis will operate. This frame specifies which basic assumptions we hold about the world and reality in our search for knowledge, and hereby it functions as a basis to understand the foundation of this thesis. On the basis of our problem statement, our overriding scientific stand point is the hermeneutical position which we supplement with social constructivism. Also, we are working within the subject area of communication which is highly subjective and dependant on the actors involved in the communicative act and the meaning they assign to it. Thus, the interpretative worldview of hermeneutics and social constructivism is a highly relevant and logical way to approach our knowledge creation.

3.1 Hermeneutics

This thesis’ approach to knowledge and research is characterised by a desire to describe and understand the concept of CRM and how it operates in a real-life example. Thus, the goal is not to explain the phenomenon of CRM. This is reflected in our problem statement, which is formulated as a how, rather than a why question. Hermeneutics is therefore the overall scientific approach in the investigation and interpretation of the empirical data, since it represents the way in which we, as researchers, see the world and produce the knowledge needed to solve the thesis’ problem statement.

Hermeneutics is characterised by subjective interpretation. Knowledge is based on interpretation and understanding which means that knowledge becomes a subjective matter that is not equivalent to the truth but is merely one of several possible readings or interpretations. We, as scientists, do not believe that the world consists of measurable facts, but rather operate on an ontological level were meaning is created as an ongoing and active process and interpreted by scientists (Palmer, 1969, pp. 84-123).

On the methodological level, hermeneutics makes use of the hermeneutical circle which holds that understanding is reached through a referential process in which we compare what we know to

³ This part of the problem statement will for future referencing be referred to as part 2
something we do not know. This means that interpretation becomes a circular process and is reached in a reciprocal process, in which the parts can only be understood if the whole is involved and vice versa (Op.cit., pp. 87-88). In this thesis, the hermeneutical circle manifests itself as an analytical methodology by the fact that we create an understanding of the whole; the collaboration between Nike and (RED), by taking our point of departure in analyses and discussions of the different parts of the collaboration. Thus, it is through the individual part-analyses that we reach the overall conclusion of the thesis, while the separate part-analyses do not make sense until they are united as a whole.

3.2 Social Constructivism

Several commonalities between the hermeneutical tradition and social constructivism can be observed. Common is, among other things, that knowledge is based on interpretation and both worldviews reject the idea of the world existing as measurable facts (Burr, 2001, pp. 1-14).

Social constructivism holds that knowledge is constructed between people, and thus their daily interactions fabricate their version of knowledge. Furthermore, the social world is believed to be constructed in language, and meanings are constructed in social relations. One of the characterising elements of social constructivism is that reality is socially constructed and is a product of an individual’s place in a certain cultural and historical context (Op.cit., pp. 2-8). Thus, knowledge is considered relative in comparison to the specific context and reality becomes a reflection of the individual’s subjective acknowledgement and interpretation of it.

The assumptions of social constructivism are present throughout the thesis and are particularly reflected in the analysis of the case in part 2 of the problem statement. Here we do not attempt to explain or certify the motives, benefits and risks that the collaboration and campaign will have for Nike and (RED). Rather we attempt to describe how the collaboration and the circumstances surrounding it could be perceived by the public and hereby the possible outcomes of it.

4 Method

With a point of departure in the thesis’ problem statement and scientific theory, we have divided the thesis at hand into 4 parts. Part 1 is the introduction, while part 2 is the theoretical part, which is cross-disciplinary and answers part 1 of the problem statement. Part 2 establishes the basis for the empirical part in which the theories will be used to analyse a specific case. Thus, part 3 consists of
an empirical analysis which provides the answer for part 2 of the problem statement. Lastly, part 4 is the conclusion of the thesis.

This means that the deductive method is apparent throughout this thesis, given that we are moving from a general theoretical level in part 2 to a more specific and practical level in part 3. Thus, we make use of the *Explanation Building Approach*, which means that we are testing the general rules derived from the theoretical framework on the particular case study (Yin, 1995, pp. 110-113).

### 4.1 Case Study

A case study is qualitative by nature which makes it a logical research method within our scientific worldview and gives us the opportunity to broaden our understanding of CRM. Furthermore, a single case study has been chosen as the research method in order to document and shed light on the subject matter from a more practical perspective. Hereby, the case represents a critical test of the existing theory which will be used as a mean to describe and illustrate how the theoretical framework is exercised in the case (Op.cit., pp. 3-31).

On a negative note, the research method of a single case study does have the disadvantage of not allowing the formation of a general rule or picture based on the results derived from only one case. Also, the results are not quantifiable and can therefore not be translated into numbers or hard facts. However, it does have the advantage of allowing a more thorough investigation and analysis of the collaboration between Nike and (RED), which will allow us to display a more comprehensive and detailed insight into the case (Op.cit., pp.41-44).

### 5 Delimitations

Since the subject area covers more aspects than the scope of this thesis allows us to delve into, it has been necessary to delimit the thesis on several points.

Normally, an analysis of an organisation’s identity, image and values demand a thorough investigation and analysis, beyond the one presented in this thesis. However, such an analysis is not the focus of our empirical investigation and is beyond the scope of this thesis. Furthermore, it has not been possible to establish contact with neither (RED) nor Nike, and our empirical analysis of these two companies and the “Lace Up Save Lives” campaign has therefore been limited to material which is public available. Thus, the analysis of (RED) and Nike’s identity, image and values is instead based on main points and statements from their websites and press releases. Secondary
sources such as Aaker (2002) and Klein (2001) and articles from New York Times and other newspapers and journals have also been utilised.

The target group for a CRM campaign is manifold and exists of various stakeholders for both organisations involved. Due to the scope of this thesis and the consumer-orientation of CRM, our main focus will be on the consumers. Furthermore, when discussing CRM and the benefits and risks involved, our focus lies externally, and we will therefore not be commenting on the effects that CRM can have internally on the employees in an organisation.

Since we examine the collaboration from a theoretical point of view, it would have been interesting to conduct a reception analysis among the campaign’s target group to supplement the theoretical analysis and compare the results. Also, primary research is very relevant within our scientific method of hermeneutics and social constructivism, where it is believed that meaning is reached when information is interpreted by the receiver. However, since the target group of Nike and (RED) are primarily the US and UK market, which is outside the reach of our resources, we find that any investigation among Danish consumer would be irrelevant and neglect the international perspective of this thesis.

A clarification of the two parties involved in a CRM collaboration must also be made. The commercial party in the collaboration is the for-profit organisation, and as mentioned before, this party will be referred to as the organisation. Thus, the term organisation is used as an overall conception of a commercial unit that aims to make profit for its owners and shareholders. Hereby, we use the term with no distinction between size, industry and other organisational features. The other party involved in CRM is the non-commercial organisation, which is referred to as the NPO. To define our understanding of a NPO, we have leaned on Grobman’s (2008) definitions and notions on NPOs. Thus, we use the term NPO as a wide concept that covers any organisation that does not distribute its profits to its shareholders, but instead uses it to help pursue its goals.

Finally, we wish to affirm that throughout this thesis the method of referencing will be Harvard Referencing.

6 Structure

This thesis opens with a clarification of the postmodern society in section 7. This section is primarily based on Firat and Schultz’s (1997) definition of the postmodern consumer which is
supplemented with Giddens’ (1991) notions on the interests and needs of the postmodern consumer. Hereby, the context in which CRM has developed will be presented and it will help to clarify the reason behind the development of CRM as well as the organisation’s motivation for engaging in CRM and CSR in general.

In section 8, PR is defined by combining the definitions from Grunig and Hunt (1984) with Cutlip et al. (2000). PR is discussed in terms of its importance to organisations and NPOs in relation to their stakeholders and their wish to build good reputations and image. Furthermore, within this section, the terms identity, image and reputation are further discussed and distinguished from each other, for the benefit of giving a clear understanding of these terms when used in the subsequent sections. Thus, this section serves to put CSR and CRM into an organisational context as a part of a business’ PR communication.

CRM is closely related to the concept of CSR and it is therefore important to understand this concept in order to understand the setting and background of CRM. Section 9 will therefore define and review the concept of CSR, using definitions and concepts from Kotler and Lee (2005), Carroll (1991), Elkington (1997) and Friedman (1970). Furthermore, CSR is discussed as a strategic business tool in the context of employing CSR to retain business and profits.

Section 10 introduces this thesis’ main topic; CRM. By way of introduction, CRM is defined and conceptualised with a point of departure in the theories of Adkins (2005) who has contributed with one of the most widespread definitions of the terms. This is supplemented with Pringle and Thompson (1999). CRM is also examined in relation to the involved parties’ stakeholders and customers. Furthermore, since CRM can be viewed as a form of co-branding, this branding phenomenon is explored in terms of how such a collaboration functions. To further elaborate on this, the notion of corporate and cause fit in a CRM collaboration is explained and the importance of such a fit is discussed.

Based on the above sections, sections 10.3 and 10.4 take a theoretical approach to examining and discussing the motives, benefits and risks related to a CRM collaboration from both the organisation’s and NPO’s perspective. Hereafter, the findings of this section is composed into a table that gives an overview of the major motives, benefits and risks from both perspectives.

For the thesis’ analytical part, an analysis model has been composed from the findings in the theoretical part. This has been done since we lack an analysis model that takes this thesis’ desired
angle to analysing a CRM collaboration. The model, which is described in section 11, takes its point of departure in the organisation’s and NPO’s values, identity and image, concepts that has been discussed throughout the theoretical sections.

Hereafter the empirical analysis is carried out using our analysis model. The case used in this analysis is Nike and (RED)’s CRM collaboration; “Lace Up Save Lives” which is described in section 14. Also, a description and analysis of the two companies is carried out in which Nike’s and (RED)’s values, image and identity are inferred in section 12 and 13. This is incorporated into the analysis model in section 15. Based on this, the compatibility between Nike and (RED) and the subsequent effectiveness of the CRM collaboration is analysed and discussed.

Sections 16 and 17 will more specifically analyse the collaboration from both Nike’s and (RED)’s perspective and discuss the potential motives, benefits and risks that are related to this collaboration. Furthermore, this section sheds light on how an organisation’s and NPO’s different motives, benefits and risks can be combined in a collaboration that benefits both types of organisation. Subsequently, the findings are summarised in section 18.

Lastly, section 19 wraps up this thesis with a conclusion drawn on the tendencies and findings from the theoretical and analytical parts of this thesis.
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**Figure 1:** Overall structure of the thesis (own adaption)
Part 2: Theoretical Discussion

7 The Postmodern Society

Given that consumers reward ethically and socially responsible organisations, it is, to a great extent, the consumers that affect organisations’ decisions to engage in CSR. Thus, it is relevant to examine today’s consumers and look into the demands that they have to organisations and why they are interested in CSR.

Today’s society is marked by postmodernity, which is characterised as being fragmented and focused on individuality (Firat & Schultz, 1997). Another characterising element of the postmodern society is consumption and its high significance within society. Consequently, today’s consumers are often referred to as postmodern. Firat and Schultz (1997, p. 193, 198) describe the postmodern consumers as:

“The postmodern individual has evolved into Homo consumericus, a creature defined by consumption and the experiences derived therefrom [...] the principle goal of the Homo consumericus is to (re)produce and (re)present oneself as an image”.

Thus, the consumers define themselves through their consumption and the experiences that are connected to it, and it is through this consumption that they produce and present themselves and their lifestyle.

Accordingly, the consumers use the image of the products they consume to realise their own image. Hereby, the consumer takes on a dual role as not only the consumer but also the producer, since they produce their own identity and image based on their consumption (Firat et. al, 1995, p. 92). This means that the consumers do not purchase products based only on their functional attributes (Firat & Schultz, 1997). Instead it is becoming increasingly important to satisfy other needs through purchasing decisions. In fact, Giddens (1991) argues that society has changed and people have become more focused on themselves and their own interests. He argues that needs such as self-actualisation have become an important element in the world we live in today, and these are the needs that consumers often attempt to satisfy with their consumption (Ibid). Therefore, it could be argued that in a postmodern society, Maslow’s Hierarchy of Needs should be turned upside-down to fit the postmodern consumers’ needs;
Figure 2: The Hierarchy of Needs turned upside down (adapted from Tiall and Khalil, 1968, p. 13)

Figure 2 illustrates how consumption today is no longer simply a matter of covering a few basic needs. The postmodern consumer has its basic needs for matters such as food and housing fulfilled and is therefore situated on the top step of Maslow’s pyramid of needs where self-actualisation needs must be satisfied. Thus, the postmodern consumer’s prioritising of needs could arguably be better represented by turning the pyramid upside down, as illustrated above.

The postmodern consumers buy products that fit into their lifestyle and create the right signals about what they stand for to their surrounding world (Firat & Schultz, 1997, p. 198). Often, these consumption choices are based upon ethical, social or environmental factors (Youn & Kim, 2008). Consequently, the postmodern consumer is constantly trying to find the right balance between wanting to help others and being socially responsible, while on the other hand also having more selfish motives of self-actualisation. This tendency has put the organisation under growing pressure to exhibit good corporate citizenship, which is where CRM comes in handy for the organisations. When organisations use CRM initiatives the consumer gets a sense of additional perceived value gained through the purchase of a specific CRM related product that satisfies their altruistic and self-actualisation needs (Wymer & Samu, 2003).

8 Public Relations

PR has become a widely practiced discipline within many different institutions to gain support among the public (Tench and Yeomans, 2006, p. 7). However, despite its popularity, there is a lot of
disagreement among scholars concerning the exact definition of the field and as a consequence, no universally agreed upon definition can be found. Nevertheless, for the sake of this thesis, we build our overall understanding of PR on the definition by Grunig and Hunt (1984, p. 6): “[...] the management of communication between an organisation and its publics”. Clearly, this is a rather simplified definition of PR, but it lays a solid foundation for what PR is; an organisational function that manages communication between an organisation and its different stakeholders. However, in order to reach a more comprehensive insight into PR, we will combine this with the definition of Cutlip et al. (2000, p. 6): “[...] the management function that establishes and maintains mutually beneficial relationships between an organisation and the publics on whom its success or failure depends”. This definition also classifies PR as a management function and elaborates on how PR creates a mutually beneficial relationship between an organisation and its publics which is needed to achieve success.

Vital to the practice of PR are the stakeholders. Stakeholders are thought of as “[...] any individual or groups that can affect or are affected by the organization’s operations” (Daugherty, 2001, p. 395). Thus, stakeholders are people or groups of people who have a stake or claim in the organisation and include employees, customers, the media, the local community investors, and so forth. Central to this definition is its emphasis on the two-way relationship between an organisation and its stakeholders; that is, stakeholders can affect and be affected by the organisation. An organisation’s success is therefore closely related to its stakeholders. In addition to this, Dalton and Croft (2003, p. 36) argue that since an organisation’s actions have consequences for the public, PR practitioners must foster mutually beneficial relationships with all their stakeholders, who are the real judges of organisational behaviour.

Thus, this thesis is built on an understanding of PR as concerned with the management of communication in order to build favourable relationships and mutual understanding between an organisation and its most important publics. Furthermore, it is a discipline that looks after a company’s reputation and image with the aim of influencing public opinion and behaviour towards the organisation (Tench & Yeomans, 2006, p. 6). Thus, central to PR are the concepts of image, reputation and identity. These terms are often used informally and interchangeably as if they are synonymous. However in the context of PR each one has a specific meaning and to avoid confusion throughout the remainder of this thesis, we find it important to define these concepts and state the differences as well as their relative importance for organisations (Op.cit., pp. 251, 253).
8.1 Identity, Image and Reputation

To each corporate brand there is an identity, image and reputation. The image and reputation is something that is perceived in the minds of the public about the organisation, while identity is the means by which the organisation influences their various stakeholders’ perception of their image and reputation (Op.cit., pp. 253-254).

Gioia et al. (2000) defines identity as “[...] the way a company presents itself through behaviour as well as through symbolism, to internal and external audiences”. It is thus, the manner in which the organisation would like to be perceived by its stakeholders. Furthermore, Alessandri (2001) presents a conceptual definition of corporate identity as

“[...] a firm’s strategically planned and purposeful presentation of itself in order to gain a positive corporate image in the minds of the public. A corporate identity is established in order to gain favourable corporate reputation over time”.

The brand identity is therefore strategic, in that organisations use the identity to influence the way the public perceives it.

Image is defined as the feelings and beliefs related to the organisation that exists in the minds of its publics at one moment in time (Fillis, 2003, p. 240). The image that an individual perceives may change a number of times and is an expression of the current beliefs about the organisation (Ibid; Tench & Yeomans, 2006, pp. 253, 263-264). The concept of image is closely related to the concept of reputation, which instead of focusing on current beliefs, focuses on interpretations of an organisation based on behaviour over a period of time. Hence, reputation is the accumulation and sense-making of information about an organisation and is influenced by consistent performance and communication over several years. Thus, it is the total sum of accumulated images (Ibid; Ibid; Weber, 2008, p. 249).

The conceptualisation of these three terms highlights the importance of PR, which aims to build mutual beneficial relationships and create a good corporate image and reputation. PR aids in closing the gap between the organisation’s identity and its image which can be used to develop, preserve and/or protect an organisation’s reputation (Tench & Yeomans, 2006, pp. 252-264). Thus, PR aids in creating a certain perception of an organisation and its brand among its stakeholders, which is important in our postmodern society where the perception of the organisation behind the product influences purchase decisions (cf. section 7). This is demonstrated by Gray & Balmer (1998) who
affirm that both image and reputation can influence the company’s competitiveness and that the reputation and image of an organisation will influence stakeholders’ willingness to either provide or withhold support.

8.2 Public Relations in a Non-Profit Context

With a point of departure in the above discussion of PR, it is clear that a lot speaks for the development and usage of PR in organisations whose success depends on their stakeholders. However, very little is written on the importance of PR for NPOs. Nevertheless, a NPO, like any other organisation, needs to communicate with its publics and cultivate its image in order to survive.

In sharp contrast to other businesses, NPOs are not promoting a product and must therefore solely build their success on the promotion of their organisation and the cause it supports. However, the use of advertising within the non-profit sector runs the risk of being deemed unethical and seen as a misuse of the NPO’s funds which are expected to be spent on supporting the cause. Nevertheless, the success of a NPO still relies on its various publics and their perception of the NPO. This means that PR becomes crucial in helping the NPO gather support for its mission and communicating with its key publics (Wilcox et al., 2005).

With a donation to a NPO, consumers generally do not receive a concrete return on their investment. This poses a dilemma in relation to the promotion of the NPO that has to encourage people to donate money from which they arguably only gain a better conscience. However, this dilemma can be resolved by entering into a CRM collaboration that provides the consumers with not only a good conscience but also a product.

Furthermore, with the growing number of NPOs (Adkins, 2005, p. 101), it is becoming increasingly important for the NPO to differentiate itself and develops a favourable and distinct image among its stakeholders. Thus, in order to compete for the public’s donations, NPOs need to be proactive and manage their communication with their stakeholders.

9 Corporate Social Responsibility

Several definitions of CSR have emerged, many of which tend to be very broad and vague. However, since CSR as a term and concept covers many aspects and because there are countless of ways for organisations to engage in CSR it can be very hard to reach a precise and transparent
definition without it being restrictive. Thus, we find that Kotler and Lee’s (2005, p. 3) definition is a good starting point in reaching an understanding of the concept; “[…] a commitment to improve community well-being through discretionary business practices and contributions of corporate resources”. This definition encompasses the notion that CSR is a voluntary commitment on the organisation’s part to help the community and society at large.

Friedman (1970, p. 14) has a much more critical point of view concerning CSR, as he believes that the sole responsibility of an organisation is to maximise returns to its stakeholders;

“There is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud”.

We have included his viewpoint in our discussion of CSR, in order to shed light on the fact that CSR is not necessarily believed to be a relevant part of an organisation’s responsibilities. However, it must be taken into account that this source dates back forty years, and thus perhaps Friedman’s point of view was an expression of his time and not completely relevant in today’s society. In today’s global society, multinational organisations constitute a great part of the world’s economy and their business affects the life of many people around the world (Deresky, 2008, pp. 33-55) and it could therefore be argued that they should share in the responsibilities of society.

For the purpose of this thesis, we find that Carroll’s (1991, p. 43) definition is perhaps the one that best describes the overall responsibilities of an organisation since it unites an organisation’s economic orientation with its social orientation; “[…] the total corporate social responsibility of business entails the simultaneous fulfilment of the firm’s economic, legal, ethical and philanthropic responsibilities”. The essence of this definition is the four responsibilities of an organisation: it must be profitable, it must comply with the law, its operations must be considered ethical and it must be engaged in philanthropic activities. Carroll believes that total CSR is only fulfilled when an organisation considers all four responsibilities. Based upon this four-part perspective, Carroll composed a CSR pyramid that reflects these four responsibilities;
Figure 3: CSR Pyramid (Carroll, 1991 p. 42)

Though depicted as a pyramid, it must be kept in mind that the layers are in constant interplay with each other and that all four responsibilities are equally important (Carroll, 1991).

9.1 Corporate Social Responsibility as a Strategic Business Tool

CSR has become an important part of companies’ PR activities and is used as a part of the brand communication. Consequently, CSR has become a competitive parameter for the organisation as quality and price are not always sufficient to make consumers favour certain products (Firat and Schultz, 1997). Hence, organisations are often struggling to find new ways to differentiate themselves and their products and services. This is where CSR can come in handy.

According to De Man (2005), CSR is a key tool to create, develop and sustain differentiated corporate brands. Moreover, Pringle and Thompson (1999) argue that the role of CSR in building brand identity and brand reputation has become increasingly important amidst signs that consumers are becoming more focused and cynical about corporate promises. Research shows that being socially responsible can be used to create a favourable corporate image and develop a positive relationship with stakeholders, which consequently leads to retaining business and higher profits (Yoon & Schwarz, 2006, p. 377). This position is widely supported by various theorists, here among Elkington (1997, p.73), who argues that “Society depends on economy – and the economy
depends on the global ecosystem, whose health represents the ultimate bottom line”. Thus, an organisation’s success should not only be measured by the traditional financial bottom line, but also by the organisation’s social and environmental performance. This is reflected in Elkington’s triple bottom line, also referred to as the three Ps; profit, planet and people. However, the lack of a common set of CSR measurements makes it hard to measure if the organisation’s environmental and social performances have improved or declined (Norman & McDonald, 2003, p.251). Nonetheless, CSR should be recognised as an important part of a strong business model and an investment that creates competitive advantage and helps achieve a profitable and sustainable growth (Elkington, 1997).

10 Cause Related Marketing

As CSR is gaining footage within the business world, CRM is also becoming a widely known and used concept by organisations around the world. This is largely due to organisations becoming increasingly interested in optimising their CSR initiatives, while NPOs have become more aware of the potential that CRM holds for them in relation to publicity, funding, name exposure and image building (Wymer & Samu 2003, pp. 4-5; Austin, 2003, p. 31).

As with CSR, there are numerous definitions of CRM. Adkins (2005, p. 11), who was one of the first to popularise and conceptualise the term, offers this definition;

“Cause related marketing is 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.”

The quality of this definition can be questioned since it is rather unclear on several aspects, such as the term image and whether it refers to the corporate image or the image of the product or service. However, central in Adkins’ definition are the terms; commercial, partnership and mutual benefit. Thus, Adkins defines CRM as a commercial relation between an organisation and a NPO or cause, which leads to equal benefits for both parties. Adkins argues that organisations and NPOs enter into a CRM partnership in order to meet their objectives and to achieve a return on their investments. This means that CRM provides commercial advantages for the parties involved in the initiative and is therefore not pure philanthropy (Ibid).

Additionally, Pringle and Thomson (1999, p. 3) define CRM as “[…] a strategic positioning and marketing tool which links a company or brand to a relevant social cause or issue, for mutual
benefit”. This definition is similar to Adkins’ definition since it also focuses on creating valuable and mutual beneficial relationships between the organisation and the NPO. However, at the same time it specifies that CRM not only deals with the marketing of the organisation’s product but also the organisation itself, which is unclear in Adkins’ definition. Furthermore Pringle and Thompson state that it can either be an organisation or a brand, which must be a synonym for a product brand, which can be linked to a cause.

Thus, CRM is designed to promote the organisation as well as the NPO and/or cause through marketing communication activities (Pringle & Thompson, 1999). CRM provides a commercial advantage, and is described as a win-win-win scenario, that benefits the organisation and the NPO while the consumers also gain a sense of additional perceived value to their purchase (Adkins, 2005, pp. 11-13).

CRM is comparable to the concept of co-branding. Generally, co-branding is referred to as the pairing of two brands in a marketing context and is understood as a way to utilise each brand’s strength and create awareness (Grossmann, 1997). Even though this is normally thought of in terms of two commercial brands, there are many similarities between co-branding and a CRM collaboration. Co-branding offers various opportunities and benefits to both parties involved, such as broader exposure of the two involved brands. However, it also has the disadvantage of enhanced vulnerability; if one of the two brands is exposed to criticism or involved in a scandal, it could have negative consequences for the other brand as well. Choice of partner is, therefore, crucial for the success of a co-branding initiative (Dorozala & Kohlbrenner, 2008, pp. 9-11).

10.1 Cause and Corporate Fit

In a CRM collaboration some of the cause’s emotional values are transferred to the organisation’s brand and it is therefore not unimportant which cause and NPO it chooses to support. The perceived fit between the organisation and the cause supported in a CRM campaign is important for the success of the campaign (Bigne-Alcaniz et al., 2009, p. 438). Gupta and Pirsch (2006a, p. 315) define fit as “[...] the perceived link between the company’s image, positioning and target market and the cause’s image and constituency”. Thus, fit is the degree of similarity and compatibility that is perceived between the cause and the organisation.

Within the subject of cause fit, Adkins (2005, pp. 230-231) argues that it is particularly important that there is a clear relation between the organisation’s values and the values that the cause
represents. The partners in a CRM collaboration each have their own set of values, identity and image. According to Adkins, it is important that these correlate and that the public perceives the two parties as having shared values and overall synergy in order for them to accept and understand the collaboration.

Research, such as studies conducted by Gupta and Pirsch (2006a) and Lafferty et al. (2004), has shown that a lack of fit can influence consumers’ evaluation of the campaign negatively, while the presence of a fit produces favourable attitudes. Thus, the presence of a natural connection or fit between the organisation and the NPO and its cause, will have a positive effect on the public’s attitudes (Chiagouris & Ray, 2007). However, even though many researchers have claimed the importance of a high level of fit, there are also theorists and researchers that challenge this. As an example, Nan and Heo (2007) conducted a survey that indicated that CRM will generate positive attitudes among consumers regardless of the level of fit.

However, the majority of research seems to support the notion that fit is important and this is also theoretically supported by Information Integration Theory, which suggests that “[...] prior attitudes will be integrated with new information provided by the alliance, thus influencing the evaluations toward the alliance” (Lafferty et al., 2004, p. 513). Thus, Information Integration Theory provides an understanding of how new information about a CRM partnership combines with prior attitudes towards the cause and the organisation to produce new attitudes towards both. This corresponds well with the findings within the area of co-branding, which show that selecting a compatible brand partner increases chances of co-branding success (Op.cit.).

10.2 Cause Related Marketing and the Stakeholders

Whether we are dealing with an organisation, charity or cause, it is necessary for the entity to take a whole variety of stakeholders into account, in order to not only market its goods, services or cause but also to ensure goodwill and licence to operate (Adkins, 2005, p. 62). The target group for a CRM collaboration is both the organisation’s and the NPO’s target groups. Thus, the audience is quite broad and consists of stakeholders such as the media, the local society, consumers and employees (Op.cit., pp. 256-257).

In today’s society, organisations are considered corporate citizens that have responsibilities towards the society in which they exist (cf. section 9). Thus, organisations need to focus on creating value for all of their stakeholders, and not only shareholders. In particular, CRM is concerned with the
consumers, since it generally involves the promotion of a product to the customers in support of a good cause (Berglind & Nakata, 2005). Essentially, this means that the consumers play an important part in determining how much money is donated to the cause. Tying a donation to a charity to an everyday act such as shopping provides opportunities for consumers to satisfy their own needs of being good citizens and project a responsible image while performing their daily routines (Berglind & Nakata, 2005, p. 450). This appeals to the postmodern consumer’s needs and wants (cf. section 7).

For the NPO, communicating and maintaining good relationships with its stakeholders can be problematic due to the nature of its business and lack of marketing channels and resources to promote themselves (cf. section 8.2). This can make it complicated for a NPO to reach new audiences and create awareness of the company and cause. However, a CRM collaboration and the communication of it makes it possible for both the organisation and NPO to reach its various stakeholders while also possibly reaching a new audience. A CRM campaign can hereby establish a variety of relationships between the parties and its stakeholders and make the organisation more attractive to its publics (Kaptein & Tulder, 2003).

Effective communication throughout a CRM collaboration is vital in order to reach the matrix of stakeholders and ensure the success of the collaboration (Adkins, 1999, pp. 255-257). Adkins argues that consumers support the idea of businesses partnering with charities for mutual benefit and they also expect that this partnership is communicated. However, it is important that the communication is consistent and the same message is reflected in the communication from both the organisation and NPO. It is also vital that sincerity and mutual benefit is demonstrated and reinforced in the communication since it encourages the consumers to see that the two parties endorse and support each other (Ibid).

10.3 Motives and Benefits

CRM is often referred to as a win-win-win situation, where the organisation, NPO and consumers can all draw benefits from the collaboration (Adkins, 2005, p. 12). But why do the organisation and the NPO decide to enter into the collaboration and what do they actually get out of it?

Dependent upon whether the collaboration is seen from the perspective of the organisation or NPO, the motives behind it are not the same since the two parties wish to draw different benefits from it.
Thus, in the following section, we will attempt to shed light on the general motives and benefits involved.

10.3.1 NPO’s Perspective

For a NPO, a major benefit and the main reason for engaging in CRM is expanded funding (Berglind & Nakata, 2005, p. 448). In fact, Austin (2003, p. 31) argues that CRM plays a crucial role in increasing the flow of funds from the corporate to the non-profit sector. Over the last few years, an increasing number of NPOs have suffered from decreased government funding, which is partly due to the current recession and global financial situation (Adkins, 2005, p. 101; Banjo & Kalita, 2010). This decline has forced NPOs to rely more on private funding and must, thus engage organisations and private donors in order to increase their funding and survive. Furthermore, the context in which charities are competing for funds is becoming more competitive and it can therefore be very fertile to look to businesses for funding. CRM can thus provide additional funds drawn from new budget sources; organisational marketing budgets (Adkins, 2005, pp. 101-102).

Moreover, a NPO can also gain non-financial resources for its cause. By committing to a CRM collaboration, both the organisation and the NPO can draw benefits from each other’s strengths and resources. Organisations often have great marketing talent and expertise in creating and implementing campaigns, which means that the NPO can benefit from its partner’s expertise and skills in the campaign (Berglind & Nakata, 2005, pp. 448-449). Organisations also have greater marketing funds and more marketing channels available, channels that might not be within the normal financial reach of the NPO. This means that a NPO can reach heightened exposure. This exposure encompasses the NPO’s and its partner’s target group and thus the message of the NPO and its cause can reach a broad audience (Ibid). Essentially, this means that a CRM collaboration provides the NPO with great name exposure, far beyond what the NPO could have afforded on its own. This leads to higher brand recognition and image building, which according to Austin (2003, p. 31) is crucial in achieving increased membership and donations.

In addition to reaching a broader audience, a CRM campaign can also provide greater message effectiveness for the NPO. This, of course, is very dependent on the organisation with which the NPO collaborates. However, if a NPO is associated with a well-known and respected business, the message will be more penetrating and persuasive (Berglind & Nakata, 2005, p 448). Thus, an organisation’s reputation and image can provide greater media exposure for the message and greater chance of influencing the audience in support of the NPO and the cause.
Another motive concerns the NPO’s brand and the building of this. Csaba (2006) argues that a strong brand has become a key element in the success on the non-profit market. The non-profit market is very competitive and thus, it is increasingly important for a NPO to develop a strong brand that stands out (Zimmerman 2008, p. 17). Through a CRM campaign the NPO can gain increased publicity and reach out to the public and engage them in the cause, leading to increased brand awareness. Also, by associating itself with an organisation and a product, the NPO will be able to differentiate itself from other NPOs and hopefully have the upper hand in the competition for the public’s interest.

Furthermore, since the NPO is associated with a specific product, it provides the consumers with something tangible to relate to the NPO instead of merely donating money to an abstract service where it can be unclear what to expect (cf. section 8.2). One would also assume that tying the NPO to a tangible product creates benefits in form of heightened visibility. Indeed, visibility and awareness is another relevant motive, since a CRM campaign and the communication of this can generate many benefits in terms of awareness of the NPO and its cause among the public (Adkins, 2005, p. 100; Berglind & Nakata, 2005, p 448).

10.3.2 Organisation’s Perspective

There are many good reasons for why an organisation enters into a CRM collaboration with a NPO. Organisations tend to view CRM’s primary benefit to be financial (Berglind & Nakata, 2005, p. 447). However, even though the financial motives are a key aspect in a CRM collaboration and the power of CRM to deliver bottom line returns has been demonstrated (Appendix 3, p. 6), implementing CRM as an integrated part of the business strategy can offer additional opportunities to the organisation. Thus, some perceive the financial benefits to be an indirect effect of other benefits such as favourable publicity and greater public awareness of the business and its brand (Wymer & Samu, 2003, pp. 5, 7). Whichever way one chooses to perceive the financial benefits, whether it is as a primary benefit of CRM or an indirect effect or an added bonus of the collaboration, many other benefits and motives, besides the financial, play a part in a CRM campaign.

One of the immediate advantages is that the organisation is tied to a good cause and hereby hopefully perceived as a socially responsible organisation. According to Webb and Mohr (1998), consumers have more favourable attitudes towards brands that are linked to a cause compared with
those that are not. Thus, CRM can build and reinforce an organisation’s image and position its brand favourably among its stakeholders.

Another motive for engaging in CRM is the benefits that CRM can have in regards to brand building. By choosing a NPO that one’s stakeholders can empathise with, CRM can translate into higher brand memorability, preference and purchasing (Berglind & Nakata, 2005, p. 447; Appendix 3). Thus, the organisation can position its brand as socially responsible and hereby capitalise on the brand building abilities of CRM (Ibid).

Companies are seeking CRM alliances hoping that the NPO’s image will define and enhance its own and add value to its own values (Adkins, 2005, p. 32; Andreasen, 1996, p. 56). However, CSR is generally problematic when it comes to communicating it to the public. Consumers tend to be sceptical towards advertising (Obermiller & Spangenberg, 1998) and when communicating CSR it can lead to scepticism about the message and cynicism towards the company’s motives (Pomering & Dolnicar, 2009, p. 288). However, Webb and Mohr (1998, pp. 236-237) found that CRM is the easiest way for an organisation to educate its stakeholders about its CSR activities and engagements by way of advertising. Thus, CRM is an efficient way to demonstrate an organisation’s values and CSR commitments. Applying CRM as a CSR strategy allows the organisation’s CSR initiatives to become more visible to the public through advertising. This means that CRM has the advantage of allowing marketing of social responsibility on a larger scale than philanthropic donations and can hence create greater awareness of the organisation. Hereby, it is also possible for the organisation to reach new customer segments.

Today’s marketplace is characterised by a large number of products with many similarities regarding quality, price and service. Thus, it is increasingly important for organisations to differentiate themselves from their competitors (Brønn & Vrioni, 2001, p. 7; Adkins, 2005, p. 27). CRM can therefore be useful for the organisation since its partnership with a NPO and the following CRM campaign will be hard for other organisations to copy and will hereby set the organisation and its brand apart from the competitors. This is particularly relevant when the collaboration represents the organisation’s fundamental values. Hereby, CRM can be used to reinforce and project the organisation’s values and if the public perceives a natural fit between the organisation’s and NPO’s values, it is more likely to have a positive impact on the public (cf. sections 10 & 10.1).
In a CRM collaboration, the NPO lends credibility to the organisation and provides heightened visibility and respect (Berglind & Nakata, 2005, p 448). Also, an organisation with a cause is better positioned to create emotional connections with customers who in turn often become advocates and supporters of the organisation. When customers have an emotional engagement in the organisation, they are also more likely to spread the word and hopefully attract new customers to the organisation (Huba, 2003). Furthermore, the emotional values that CRM products provide will appeal to the postmodern consumer needs, while responding to the increasing demands for responsible corporate conduct (cf. sections 7 & 9).

In relation to this, CRM can also be a long-term investment for the organisation since it can generate goodwill among stakeholders (Berglind & Nakata, 2005, p. 448). If at one point, the organisation should find itself in a crisis, goodwill can be crucial to prevent long-term damage. When a crisis occurs, stakeholders are less likely to discontinue their relations or engagements with an organisation that has built a reputation as socially responsible. To further build on this, Berglind and Nakata (2005, p. 448) explain that research shows that CRM creates positive attitudes towards the organisation that has engaged in unethical practices and CRM can hereby help to overcome the challenges that such a crisis poses.

Another significant benefit of a CRM campaign is its ability to generate positive assessments of an organisation among consumers and other stakeholders (Ibid). Corporate reputation is made up of various elements and social responsibility is becoming an increasingly important part of an organisation’s reputation (Pruzan, 2001). Therefore, by communicating one’s social responsibility through a successful CRM campaign, an organisation’s reputation can benefit greatly (Adkins, 2005, p. 24).

### 10.4 Risks

However, CRM collaborations are not without risks and can negatively affect both the organisation and the NPO. Dependent on whether the collaboration is seen from the organisation’s or NPO’s perspective, there are differences in the risks. Therefore, this section will account for some of the major risks associated with a CRM partnership from the viewpoints of both partners.

#### 10.4.1 NPO’s Perspective

One of the main risks associated with any CRM collaboration is related to the choice of partner. In a CRM collaboration, the two parties become associated with each other to draw on each others’
image and brand. However this also means that their respective behaviour reflects back on each other (cf. section 10). Any negative publicity surrounding the CRM collaboration or the partnering organisation could have a strong impact on the NPO’s image and reputation (Wymer and Samu, 2003, p. 7). Thus, the organisation’s bad publicity can rub off on the NPO and because NPOs main source of funding are private donations, the damage to its image can weaken its ability to acquire the necessary funds and lead to a loss in volunteers (Op.cit. pp. 8, 11; Andreasen, 1996).

As mentioned earlier, it is particularly important that there is a fit between the involved parties and the core of their organisations (cf. section 10.1). The consumer needs to be able to see a reason behind the collaboration and coherence between the partners’ values is essential for the consumer’s evaluation of the collaboration’s credibility (Adkins, 2005). In some cases, an organisation enters into CRM partnerships because they want to bask in the glow of a well-respected NPO and fight off its negative image (Andreasen, 1996, p. 55). If a NPO enters into a collaboration with such an organisation, it may in some cases be prevented from carrying out its mission due to the tainted partner. As an example, Andreasen (Ibid) explains how a child welfare organisation can suffer greatly from joining forces with a business that employs child labour. Thus, a tainted partner may result in loss of credibility and support from the public and damage its image which can ultimately hurt its ability to acquire the funds that are necessary for its survival (Wymer & Samu, 2003, pp. 8, 11). Additionally, the NPO and the organisation can have different motives for entering a CRM partnership, and if it is not possible to reconcile these differences in complementary goals and values it is unlikely that the partnership will be effective (Berglind and Nakata, 2005; Adkins, 2005, pp. 230-231).

Entering a CRM partnership can lead to loss of organisational flexibility for the NPO and hinder similar alliances with the organisation’s competitors (Gupta & Pirsch, 2006b, p. 35). Thus, by entering one partnership, the NPO may unintentionally be alienating other potential partners. Also, the organisation might deliberately impose restrictions on the NPO to help ensure the expected payoff for the organisation and prevent the NPO in engaging in actions that could harm it (Andreasen, 1996). This could be in the form of an agreement that prevents the NPO to sign new agreements with the partner of its choice.

CRM partnership can generate new income for the NPO, but according to Andreasen (1996) this does not necessarily mean that the total revenue increases. The risk is that, customers and organisations perceive CRM as a substitute to regular philanthropic contributions by individuals
and organisations, rather than as an addition to their contributions (Gupta & Pirsch, 2006b, p. 35). This mistaken perception could mean that, consumers cut back on their regular donations if they believe that they have given enough through the purchase of a product from a CRM campaign. Furthermore, if the NPO’s current and potential contributors do not approve of the CRM collaboration or its choice of partner they might reduce their contributions as well (Andreasen 1996, p. 50).

In relation to this, the NPO also runs the risk of increased dependency on corporate funds (Gupta & Pirsch, 2006b, p. 35). Andreasen (1996, p. 55) addresses this issue by commenting on how NPOs can become too reliant on an organisation that might suddenly choose to spend its marketing budget in a different way. This can leave the NPO in a situation where it has devoted most of its energy and resources on supporting the partnership and has not explored other potential corporate contributors or donors. Also, developing and executing a CRM campaign requires a lot of time and effort from both parties involved. Consequently, a CRM collaboration holds the risk of wasted resources. If a collaboration fails to meet its objectives, the NPO may find that it has compromised other activities such as fundraising in the meantime (Op.cit., p. 50).

In a CRM partnership the organisation is generally the main contributor to the development and funding of the campaign and thus holds much control over this (Andreasen, 1996, p. 48). Thus, NPOs relinquish some of their control on what is communicated to their stakeholders and the organisation may choose to use tactics and marketing practices that conflict with the NPO’s image and strategy (Op.cit., p. 55). Thus, another concern for the NPO is that the involvement with a corporate sponsor can bring a taint of commercialism to the cause’s image (Gupta & Pirsch, 2006b, p. 35). CRM can be considered a conflicting concept due to the mixing of entities such a profit, ethics, commercialism and charity and some might even argue that it is a “marriage of strange bedfellows” (Berglind & Nakata, 2006, p. 449). One of the motives behind the organisation’s engagement in CRM is to build value for stakeholders (cf. section 10.2), which some perceive to be in direct conflict with the objectives of the NPO and the work they do, namely improving social conditions and educating and enlightening the public about its cause. Thus, the concern is that NPOs, by lending their good names to for-profit activities, compromise their worthy mission and are being co-opted by greedy marketers (Berglind & Nakata, 2006).
10.4.2 Organisation’s Perspective

Despite the altruistic nature of supporting a cause, CRM is very much a matter of financial gain, whether it being indirect through the image building qualities of the initiative or whether it being direct in form of the profit gained from the product sales (cf. section 10.3.2). Thus, investment in CRM initiatives can also pose a financial risk since money is invested in the campaign with no guarantee that it will be successful or affect the bottom line (Gupta & Pirsch, 2006b, pp. 34-36).

As with the NPO, the organisation must choose its partner with much care since any negative publicity regarding the NPO will reflect back on the organisation (cf. section 10.4.1). If the NPO is suddenly associated with a scandal, the company might be faced with critical consumers and media and the risks include loss of brand reputation, market share and sales (Wymer & Samu 2003, pp. 11-13).

The greater the synergy is between the two parties involved, the greater response the CRM collaboration will achieve from the public (cf. section 10.1). Thus, there needs to be a fit between the organisation’s values and the values of the cause in order for the organisation’s stakeholders to understand and back up the collaboration. In addition, if there is no synergy to the NPO and its cause, it is more likely that the public will be sceptical towards the company’s motives and perceive the collaboration as a publicity stunt. Thus, the public might question the authenticity of the collaboration and the organisation can lose its credibility and damage its image and reputation, ultimately leading to a loss of customers and profits (Andreasen, 1996; Chiagouris & Ray, 2007, pp 48-51).

Adkins (1995, p. 227) argues that it is important that an organisation sees CRM as a strategy that can support and enhance existing good business. Thus, the organisation must consider how CRM fits with the overall business strategy and activities. The reasoning is that if being a good corporate citizen is not a natural part of the organisations strategy, the partnership can be perceived as untrustworthy since the motives will be perceived to be selfish rather than wanting to support a good cause (Op.cit., p. 226). This will have a negative impact on the perception of the organisation among the public and can possibly damage the brand and corporate image (Wymer & Samu 2003).

This is closely related to the fact that the public can be sceptical towards a CRM collaboration because they might believe that the organisation enters into the partnership only to increase its own profit (Chiagouris & Ray, 2007, pp 49-51). The perceived motives of the organisation play a big
part in shaping the public reaction to the CRM campaign. The customers are looking to see if the organisation is sincere in its motivations to support the cause and the more altruistic the collaboration is perceived to be, the more favourably they respond to it (Ibid). If there is any suspicion that the company’s motives are mainly self-serving, it can have a negative impact on consumer’s attitude towards the organisation who might perceive it as the organisation exploiting a good cause for its own benefit (Op.cit., p. 48).

Furthermore, consumers can be sceptical if the CRM campaign fails to portray a high level of transparency and honesty. If the CRM campaign does not specify the details of the agreement, the consumers can become confused about which percentage of the purchase is actually given to the charity (Berglind and Nakata, 2005, p. 449). This can make consumers distrustful of the CRM partnership and lead to suspicion regarding the organisation’s sincerity and motives for entering into the partnership. This scepticism can affect consumers’ attitudes towards the organisation and negatively affect their purchasing behaviour (Brønn & Vrioni 2001, p. 208).

Lastly, there are risks related to the communication of the collaboration. CRM campaigns that communicate the organisation’s social responsibility are likely to evoke a strong and often positive reaction among stakeholders. However, if an organisation focuses too intently on communicating its social associations, it is possible that the consumers may believe that the company is trying to hide something else (Bechman et al, 2006, p. 136). Furthermore, they might find it unattractive that the organisation is promoting its social responsibility because it brings out questions of whether the organisation is only doing it for its own good (Berglind & Nakata, 2006).

10.5 Summary

For the sake of simplicity, a visual representation of the major benefits, motives and risks for the NPO and organisation is presented below:
<table>
<thead>
<tr>
<th>Benefits and Motives</th>
<th>Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expanded funding</td>
<td>Loose funding and/or weaken ability to acquire funds</td>
</tr>
<tr>
<td>Gain non-financial resources</td>
<td>Increase dependency on corporate funds</td>
</tr>
<tr>
<td>Greater media exposure through more channels</td>
<td>Waste resources</td>
</tr>
<tr>
<td>Reach a broader audience</td>
<td>Alienate of other potential partners</td>
</tr>
<tr>
<td>Achieve brand recognition</td>
<td>Lose organisational flexibility</td>
</tr>
<tr>
<td>Improve and/or build image</td>
<td>Damage image</td>
</tr>
<tr>
<td>Increase memberships and donations</td>
<td>Lose volunteers and members</td>
</tr>
<tr>
<td>Achieve greater message effectiveness</td>
<td>Damage reputation</td>
</tr>
<tr>
<td>Build, develop and/or add to the brand</td>
<td>Lose credibility</td>
</tr>
<tr>
<td>Increase publicity and awareness of the NPO and the cause</td>
<td>Negative publicity</td>
</tr>
<tr>
<td>Affect society’s attitudes and engage people in the cause</td>
<td>Lose support from the public</td>
</tr>
<tr>
<td>Opportunity of differentiation</td>
<td>Less control</td>
</tr>
<tr>
<td>Competitive advantage in gaining the public’s interest</td>
<td>Compromise the NPO’s mission</td>
</tr>
<tr>
<td>Associate the NPO with a tangible and relatable product</td>
<td>Bring a taint of commercialism to the NPO’s image</td>
</tr>
</tbody>
</table>

*Table 1* Benefits, motives and risks for the NPO
<table>
<thead>
<tr>
<th><strong>Benefits and Motives</strong></th>
<th><strong>Risks</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase sales and profit</td>
<td>Financial risks</td>
</tr>
<tr>
<td>Be associated with a good cause hereby projecting good corporate citizenship</td>
<td>Lose market share and sales</td>
</tr>
<tr>
<td>Increase publicity and awareness</td>
<td>Negative publicity</td>
</tr>
<tr>
<td>Create favourable attitudes among the public</td>
<td>Scepticism among consumers</td>
</tr>
<tr>
<td>Build and reinforce the organisation’s image</td>
<td>Damage image</td>
</tr>
<tr>
<td>Build, develop and/or add to the corporate brand</td>
<td>Damage the corporate brand</td>
</tr>
<tr>
<td>Create credibility and respect</td>
<td>Lose credibility</td>
</tr>
<tr>
<td>Reach new customer segments</td>
<td>Lose customers</td>
</tr>
<tr>
<td>Enhance reputation</td>
<td>Damage reputation</td>
</tr>
<tr>
<td>Create strong emotional bonds with customers</td>
<td>Create suspicion and distrust</td>
</tr>
<tr>
<td>Maintain good relationships with stakeholders</td>
<td>Create a negative attitude among the public in regards to the organisation</td>
</tr>
<tr>
<td>Better positioned in case of a crisis</td>
<td></td>
</tr>
<tr>
<td>Create brand memorability, preference and purchasing</td>
<td></td>
</tr>
<tr>
<td>Add and demonstrate values</td>
<td></td>
</tr>
<tr>
<td>Competitive advantage</td>
<td></td>
</tr>
<tr>
<td>Generate goodwill</td>
<td></td>
</tr>
<tr>
<td>Greater visibility through advertising of CSR on a larger scale</td>
<td></td>
</tr>
</tbody>
</table>

Table 2 Benefits, motives and risks for the organisation

### 10.6 Discussion

In the above sections we have accounted for the theory behind CRM in order to fully understand and describe the concept. We have looked at different aspects and elements and with this reached an overall understanding through the reciprocal and referential process of relating the parts to the
whole. This process has given rise to some discussion subjects for which reason we find it appropriate to conclude this part of the thesis with a discussion of some of the aspects of CRM.

As evident throughout section 10.3, CRM holds many advantages for both partners and is a very tangible way for an organisation to stage its social responsibility. However, the above discussion in section 10.4 illustrates how a CRM partnership is not without risks some of which could be extremely damaging to the parties. CRM should therefore not be described as an unequivocally guaranteed success for the partners involved. Rather, the above sections demonstrate that a CRM collaboration should be perceived as a potential way to create a preferable situation for both parties. Also, the sections can function as a guideline for a successful CRM collaboration, where the fit between the parties has been revealed to be one of the determining factors.

It can be questioned whether the NPO’s credibility and good image really is strong enough to carry the organisation. Doubts have been raised concerning whether the help that NPOs provide really reaches the intended target group. Also, investigations have found that sometimes the money donated to charities is lost along the way and ends up paying for administrative costs instead (Appendix 4). Therefore, not all consumers will automatically assign the organisation with a better image purely based on the association with a NPO. Also, this indicates that the communication and demonstration of the good that is actually done and how the money is used might be a more likely way to achieve credibility in the collaboration.

In an extension of this, it can also be discussed what the right cause for the organisation is. As already established, the fit between the organisation and the NPO and its cause is an important factor in determining the success of the CRM collaboration. However, the organisation’s customers and stakeholders must unquestionably also factor into this equation, as they must feel the need to support the cause and agree with the organisation’s support of it. Reaching a fit between the customers and cause can be very difficult because people have different personal preferences regarding the cause that they would like to support (Akins, 2005, pp. 85-88).

It can also be discussed whether CRM, with its linking of commercial and non-commercial interests, can be a sign of the lines between organisations and NPOs being blurred. Organisations are increasingly taking on a greater part of the responsibilities in society and hereby move into a non-commercial area, whereas NPOs’ greater reliance on corporate funds also means that they to some extent are moving towards the commercial area. This could raise some ethical issues and
problem areas of which the organisation and NPO should be aware and careful of. It will therefore also be interesting to see the future development of CRM and whether the blurring of lines, that is already starting to be apparent, will continue.

As apparent in the above discussion and the chapter as a whole, CRM clearly holds different motives, benefits and risks dependent on which perspective CRM is viewed from; the NPO’s or the organisation’s. However, to further build on this we will now move on to a practical case study in which we will apply and test the above theoretical findings and find out whether it is possible to unite the differences in an effective CRM collaboration.
Part 3: Empirical Analysis

11 Analysis Model

As evident in section 10.5, many of the benefits that the partners can gain from the CRM collaboration could also be the exact same thing that they are risking. This reflects how the choices the organisation and NPO make before entering the collaboration is extremely important since the potential benefits and risks are dependent on the specific collaboration into which one enters. In this connection, we have throughout section 10 highlighted and demonstrated how particularly important the choice of partner is. Furthermore, sections 10.3 and 10.4 illustrate how choice of partner and the synergy between them is one of the determining factors in whether the CRM partners will benefit or lose from the collaboration.

The organisation and the NPO both have their own set of values that guide the corporate identity internally and lay the foundation of a strong corporate image and reputation externally (Urde, 2001). Together, these elements represent what the organisation and NPO stand for and how they are perceived by their stakeholders. In a CRM collaboration, these need to be compatible between the partners in order for the target group to understand and accept it. Furthermore, the organisation or NPO, with which one chooses to collaborate, should have affinity with one’s customers in order for them to approve of the collaboration and back it up.

Based on the above account and the thesis’ theoretical part, our model of analysis for the following sections appears as follows:
A CRM collaboration is characterised by having two senders; an organisation and NPO. Between these two organisations a fit must exist which means that there should be a set of shared values. Since the target group for a CRM collaboration is both the organisation’s and NPO’s target group, a greater understanding and appreciation of the collaboration can be aided by an overlap between the two target groups.

Thus, based on the above assumptions, the thesis’ analytical part will begin with an investigation and analysis of Nike and (RED) since the choice of partner plays a central part in analysing the potential motives, benefits and risks that the collaboration could have. The following sections will
therefore contain an investigation of Nike and (RED) in order to gain an understanding of these organisations and their identity, image and values. Furthermore, we will analyse Nike’s and (RED)’s target customers, to infer whether the respective choice of partner will have affinity for them. However, as discussed in section 10.6, it can be difficult for Nike to create a fit between its customers and the cause, since people often have their own personal preference regarding social causes. Thus, this analysis will be based on the likelihood that the customers will approve of (RED), rather than its cause.

12 (RED)

(RED) was launched in Great Britain in 2006 by Bono, the lead singer of the band U2, and Bobby Shriver, who is an American activist and fundraiser. (RED)’s mission is to raise awareness and money for the Global Fund, a leading programme to fight HIV and AIDS in Africa (Appendices 5-6). The idea behind (RED) is that private brands cooperate with (RED) to create their own (RED) branded products and services; (PRODUCT) RED. An agreed upon percentage of the profit from each sold product is donated to the Global Fund and used to fight HIV and AIDS in Africa (Appendices 5-6). (RED) is hereby trying to solve the AIDS problems in Africa by ensuring a sustainable flow of money from the private sector into the Global Fund and providing hope to the African people. Thus, the fight against HIV and AIDS, hope and continuous improvements are some of the values that guide (RED)’s daily business.

Figure 5: How (RED) works (Appendix 7)
(RED) is engaging the private sector in social initiatives and is defined as an economic initiative that focuses on promoting and transforming consumer power into a financial force to help others in need;

“We’re not asking anyone for a donation or for them to change their behaviour. People buy things every day. But now, when they buy (PRODUCTS) RED, they will look good and do good – and that is good business” (Hill, 2010).

(RED)’s unique approach to fundraising is what differentiates it from other charities and NPOs and as Bono puts it; "Philanthropy is like hippy music, holding hands. Red is more like punk rock, hip-hop; this should feel like hard commerce" (Brown, 2006). (RED) does not characterise itself as a charity, but rather as an exciting, modern and aggressive brand designed to engage business and consumer power in the fight against AIDS (Appendix 5).

Currently (RED) has established partnerships with ten world-known brands; American Express, Apple, Bugaboo, Converse, Dell, Emporio Armani, Gap, Hallmark, Nike and Starbucks (Appendix 8). (RED)’s current and previous partners are some of the world’s leading consumer brands, that hold a substantial percentage of the market share in their respective product categories (Spethmann, 2007). (RED) chooses partners that are trendy and stylish because they signal the qualities and characteristics that (RED) wants associated with its brand and image (Richey & Ponte, 2008). Furthermore, (RED) has enlisted the help of several celebrities and musicians with high star status (Ibid) and by working together with these celebrities; (RED) creates increased attention and publicity about the cause. Furthermore, it has given (RED) an exclusive image and attracted a certain star status to the brand.

12.1 (RED)’s Customers

Geographically, (RED) focuses primarily on two markets, namely the US and UK (Brown, 2006). (RED)’s target audience include men and women and their core segment is the younger generation (Richey & Ponte, 2008). (RED) further characterises their target customers as hip, cool and fashion conscious while also being ethically concerned (Richey & Ponte, 2008). Additionally, (RED) enjoys a large celebrity following that publicly supports and purchases (PRODUCT) RED, which has helped to create a trendy image for (RED) (Ibid).
(RED) collaborates with different brands, and thus (RED)’s customers are closely related to these collaborations and their target group. (PRODUCT) RED ranges from medium-grade (Gap) to premium (Emporio Armani) in both price and image. Hereby, (RED) targets a broad audience regarding price, product category and partner. Thus, (RED) makes it convenient for the consumer to be socially responsible, in particular since they do not charge extra for “making a product (RED)” (Appendix 5).

As described in section 7, the postmodern consumer projects him- or herself through their purchases that, therefore, must signal the consumer’s values. Thus, (RED)’s target group is the postmodern consumer who wishes to express social and ethical concern. Furthermore, the partners (RED) has had to date, are all highly regarded, quality brands (Appendix 5). Thus, (RED)’s customers are also people who wish to be trendy and express a certain sense of quality and exclusivity.

12.2 Criticism of (RED)

Since (RED) was launched in 2002, it has been the subject of criticism from people who are concerned and sceptical towards (RED)’s rather unusual non-profit strategy and way of doing business. As stated previously, (RED) is not a charity and charity is not the primary reason to buy a (PRODUCT) RED;

“(RED) is not a charity. It's a business model designed to create awareness and a sustainable flow of money from the private sector into the Global Fund, to help eliminate AIDS in Africa” (Appendix 5).

This approach to raising money is not always well-liked among the public which has led to some critique of (RED).

The idea behind (RED) is to get its partners to contribute with money to the Global Fund by donating a part of their profit to (RED). The point is that it is the organisations that pay extra, not the consumers, and the consumers are therefore not charged extra for the CRM products. However, the problem that some have with (RED)’s strategy is exemplified in a statement by Julie Cordua, Marketing Vice President for (RED): “It has to make good business sense for the company so the money will continue to flow to the Global Fund over time” (Frazier, 2007). It is this “good business sense” that (RED) is criticised for since some people are questioning whether it is justifiable for organisations to profit from charity (Richey & Ponte, 2008). This has initiated an ANTI (RED)
initiative (Appendix 9) that encourages consumers to donate their money directly to the Global Fund or other charities instead of buying (RED)’s products.

Furthermore, another critique point has been the fact that (RED) has contributed with approximately 18 million dollars to the Global Fund meanwhile the partners have spend over 100 million dollars on advertising and marketing the collaboration with (RED). Thus, some people believe that the cause and the Global Fund would gain more from direct donations and there is increasing concern that the (RED) initiative hereby benefits the for-profit partner much more then the cause (Labiharie, 2007; Appendix 9).

13 Nike

A handshake between two visionaries in 1964; Bill Bowerman and Phil Knight marked the foundation of “Blue Ribbon Sports”, a company founded with the mission to provide better shoes to athletes (Appendix 10). In 1971, Blue Ribbon Sports introduced the concept of the Greek winged goddess of victory, Nike, and in 1972 the company we know today as Nike was launched (Appendix 11; Mollerup, 2001, p. 172). In connection with the introduction of Nike, the logo, “Swoosh”, was created. This logo was designed to suggest movement and speed as well as referencing Nike by resembling a wing. In the 1990s, the slogan “Just do it” was introduced and has together with the “Swoosh” become the most recognisable athletic logo and slogan in the world (Frisch, 2004, p. 17).

Today, Nike is a US-based footwear distributor to a global market of athletic footwear, apparel and equipment. Nike’s brand portfolio includes several wholly-owned subsidiaries and they operate in more than 160 countries worldwide while employing almost one million people spread across six continents (Appendix 12).

Nike holds its mission to be: “To bring inspiration and innovation to every athlete in the world” (Appendix 12). Nike focuses on innovative thinking in every aspect of its business; whether to develop products that help athletes reach their full potential or to create business opportunities that set Nike apart from its competitors and provide value for its stakeholders. Innovation, inspiration and performance are therefore key values for Nike that wishes to enhance its customers’ lives and performance through sports and the use of its products. Furthermore, one of the characterising things about Nike is its advertising and extensive use of famous endorsers. On the basis of this,
Nike has been extremely successful in creating awareness and recognition of the brand (Klein, 2001, pp 365-379).

13.1 Nike’s Customers

Over the years, Nike has developed a strong brand within the world of sports and fashion with users that include top athletes and all those interested in fitness and health (Aaker, 2002, p. 91).

Nike’s approach to branding and customer targeting is reflected in the statement “If you have a body, you are an athlete” (Appendix 12) which signals that Nike is for everyone. However, Nike is a premium brand within its category and its customers are thus people with an income that allow the purchase of such products. On its online shopping page (Appendix 13), Nike has divided the page into women, men, girls and boys, which show that Nike’s customers include both sexes and all ages, while its core demographic is the younger generation (Klein, 2001, p. 369). Furthermore, Nike’s customers are multicultural and by using African-American heroes such as Michael Jordan as endorsers, Nike has created a strong bond with the African-American community (Ibid).

Geographically, U.S. sales accounted for approximately 42% of Nike’s total revenue in fiscal year 2009, while the international markets accounted for the rest (Nike, 2009).

In 1996, Aaker (2002, p. 91) described the overriding Nike brand as being “Exciting, provocative, spirited, cool, innovative and aggressive; into health and fitness and the pursuit of excellence”. Based on our investigation of Nike’s webpage and more recent statements from Nike, we find that this brand description still applies to Nike’s brand today. Thus, Nike’s customers are people who can relate to this and strive to project this image to the outside world. Nike makes use of many endorsers, including top athletes such as Michael Jordan, Andre Agassi, John McEnroy and Serena Williams (Fullerton & Merz, 2008, p. 106; Appendix 14). This shows that Nike’s endorsers are from a wide age range, of all colour and both sexes, however common is the fact that they are all extremely successful athletes with strong personalities. By using these different personalities as endorsers for Nike, these are linked to the brand’s personality and thus appeal to customers who value the characteristics of these people and want to signal a similar image (Kapferer, 2008, p. 184).

Nike has substantial self-expressive benefits to its brand and consequently, a Nike user has a desire to express oneself through the consumption of Nike products and by performing to one’s capability (Aaker, 2002, p. 99). Furthermore, Nike offers great possibilities for its customers to customise their own products (Appendix 15) and hereby express their own unique personality. Thus, Nike’s
customers are postmodern consumers who wish to express themselves through their purchase and send signals of excellence, excitement as well as being fashionable, trendy and healthy.

13.2 Criticism of Nike

Over the years, Nike has been subjected to much criticism from the public and the media. Much of this stems from Nike’s labour practices around the world and human rights concerns in connection to this.

Originally, Nike imported athletic shoes from Japan, however as the company grew and the Japanese market matured, Nike shifted its operation to cheaper Taiwanese and Korean suppliers. As demand increased, these suppliers further subcontracted to labour markets in less-developed countries such as China, Indonesia, Thailand and Vietnam (DeTienne & Lewis, 2005, pp. 360-361).

In June 1996, the conditions of Nike’s factories in less-developed countries became a nationwide media topic when New York Times columnist, Bob Herbert (1996), criticised Nike’s labour practices and accused Nike of exploiting cheap Asian labour. This created a nationwide stir among consumers, activists and international businesses and drove some to arrange and participate in huge anti-Nike events and demonstrations (Klein, 2001, pp. 365-369). Consequently, Nike was placed in the spotlight with several new accusations and accounts of human rights abuses, violence and hideous working conditions within Nike’s Asian factories (DeTienne & Lewis, 2005, p. 361; Parloff, 2002).

Consequently, Nike’s reputation and image took a noticeably downturn at the time. Nike is still sporadically accused of problems and violations in its contract factories around the world, most noticeably an accusation of forced labour in Malaysia in 2008 (Sage, 2008). While Nike is now taking a clear standpoint against human rights violations in its factories and has improved its image tremendously, the public is arguably more susceptible to believe new stories due to the previous scandals. Thus, despite a great effort from Nike, the skeleton in the corporate closet might never fully disappear.

13.3 Nike’s Corporate Social Responsibility

Responsibility has become one of Nike’s core values and its CSR efforts are focused on core impact areas that are tied to Nike’s long-term growth and innovation strategies; improving conditions in
contract factories, helping the environment through design and climate neutrality and unleashing potential through sports (Appendix 16).

As a response to the critique Nike faced in relation to its labour practices, a greater effort was put into being a good corporate citizen and displaying social responsibility to the stakeholders (DeTienne & Lewis, 2005, p. 361). In an effort to ensure that certain standards of conduct are followed, Nike created a code of ethics for all its employees called “Inside the Lines” (Nike, 2010g) while its “Code of Conduct” (Nike, 2010h) addresses the behaviours of its contractors (Appendix 17).

However, even though Nike’s corporate responsibility started out as a reaction to criticism, today CSR is an integrated part of Nike’s business model with sustainability at the heart of its social responsibility philosophy (Appendix 18). Nike strives to use innovation and design to minimise its global environmental footprint, supporting positive climate change action and legislation and creating sustainable product innovation (Appendix 19).

Sport is at the core of Nike’s business and brand identity and is also one of the driving forces in how they approach corporate responsibility (Appendix 18). Nike utilises the power of sports to improve society through multiple community programmes. To shed light on these community programmes and causes, we have composed a table (Appendix 20) that illustrates the featured community programmes on Nike’s webpage (Appendix 21). In addition to these programmes that have been conducted within the last couple of years, Nike is involved in numerous of other initiatives. However, we have focused on the ones listed on the website since these give a good overview of Nike’s overall approach to improving social conditions.

Appendix 20 illustrates how Nike is taking different approaches to utilise sports as a way to improve society. Common among the majority of these programmes is the focus on youth and sports. Furthermore, several of the programmes are designed to help minority groups, underprivileged people and people affected by natural disasters or sickness. Another interesting thing to note is the geographical areas in which the programmes operate in. The majority of the programmes are committed to helping communities and people in the US, while the rest of Nike’s programmes are geographically dispersed and include China, Africa, Europe and Australia.
14 Lace Up Save Lives

On November 30th 2009, the day before World Aids day, (RED) and Nike announced their new partnership, “Lace Up Save Lives”, at an elaborate launch event in London, UK. High profile football players from recognised teams joined the CEOs of (RED) and Nike and (RED)’s co-founder Bono in making the partnership announcement (Appendix 1).

With the collaboration, Nike and (RED) are working together to leverage the power of sport to fight HIV and AIDS through two initiatives; education and medication which is emphasised by Mark Parker, President and CEO of Nike;

“With football as the catalyst to drive education and prevention, we want to make (RED) easily accessible for young people around the world to join together to fight AIDS in Africa” (Appendix 1).

The concept invites people to “Lace Up Save Lives” and purchase a pair of (NIKE) RED laces at a cost of four US dollars (Appendix 22). Nike contributes with 100% of the profits; 50% will support football-based community programmes supported by Nike that deliver education about HIV and AIDS to young people. The other 50% will go directly to the Global Fund (Appendix 1).

(NIKE) RED laces can be purchased at Nike store locations and key retailers worldwide as well as their online store. In addition to the laces, other (NIKE) RED products will be introduced in the coming months (Appendix 1). In fact, in the beginning of March 2010, a special edition (NIKE) RED football was introduced (Appendix 23).

The “Lace Up Save Lives” campaign has been promoted through the use of top athletes who are using the (NIKE) RED laces at high-profile sports events and games. One of the most recent events took place on March 2nd 2010 where the football teams of Brazil and Ireland showed their support of the campaign at a match. Red netting was used for the goals, and the (NIKE) RED ball was used while all the players wore NIKE (RED) laces (Appendix 24). Furthermore, the advertising of the campaign takes place almost exclusively through the Internet, utilising (RED)’s and Nike’s websites as well as blogs, online videos and social medias such as YouTube, Facebook and Twitter (Appendix 25; Appendix 26).
15 (RED) and Nike’s Compatibility

As discussed, it is not irrelevant whom an organisation or NPO choose as a partner, and based on the above sections we will now analyse the compatibility between Nike and (RED).

In the case of Nike and (RED), there is no apparent and logical connection between Nike, a company that produces sportswear and equipment, and (RED)’s mission of helping people affected by AIDS and HIV in Africa. However, as elaborated on in section 10.1, the most important thing is that the consumers will be able to perceive a fit between the partners’ values, identity and image. Thus, based on the above sections on Nike and (RED), the analysis model appears as follows:
The above figure illustrates that an overlap between the two parties’ target groups exists on the demographical level since Nike and (RED) both target women and men and particularly the younger generations on an international scale. This overlap aids in the creation of a basis for Nike’s customers to approve of and support (RED) and vice versa.

In regards to Nike’s customers, it is difficult to comment on whether the cause of helping people with AIDS in Africa will appeal to them or if they would rather see Nike support a different cause. However, Nike’s customers are multicultural and a large part of the customer segment consists of...

**Figure 6:** Synergy between (RED) and Nike (own adaption)
African-Americans. Arguably, this segment of Nike’s customers will be particularly favourable towards the collaboration that focuses on helping Africa.

Due to the identity and image of Nike and (RED), the (NIKE) RED laces have many self-expressive benefits both in terms of expressing quality, innovation and excellence and in terms of expressing social and ethical concern. Also, in the promotion of the campaign, many celebrity athletes are endorsing the product which provides additional self-expressive benefits and correlate to both Nike’s and (RED)’s previous use of extensive celebrity endorsement. This will appeal to both Nike’s and (RED)’s customers who are postmodern consumers who wish to create a certain image of themselves through their consumption. Furthermore, self-expressive benefits and values such as being trendy and cool are important parameters for both Nike’s and (RED)’s target groups. This will argueable raise the purchase intent among the campaign’s target group and create funding for (RED)’s cause. Conclusively, this means that (RED)’s and Nike’s customers are likely to be positive towards the choice of partner and have greater awareness and commitment towards it.

As apparent from the above figure, certain similarities between Nike’s and (RED)’s values, identity and image can be observed. A correlation exists between the parties’ values since both weigh responsibility highly and are committed to improving society. Furthermore, none of their values are in direct conflict and there is seemingly nothing in the way of them being able to vouch for each other’s values.

Both partners’ image and identity are international, exclusive, modern and express a certain degree of luxury and high quality. (RED)’s identity is marked by exclusivity, luxury and uniqueness, since they are very selective in their choice of partners all of which are leading brands. Nike also offers exclusivity in form of customised products as well as their innovative and premium products within their category. Both organisations offer great benefits to their customers in giving them an opportunity to express themselves and both brands are built on a desire to help the postmodern consumer to produce and (re)create his or her image. Also, both organisations share the wish to enhance people’s lives. (RED) focuses on enhancing lives in Africa, while Nike wants to enhance their customers’ lives by supplying innovative and fashionable sportswear that enhances their performance.

The shared values and correlation between image and identity could create the desired synergy effect in the collaboration and aid in creating a perception of fit. This is one of the most important
factors in a CRM partnership and can help to make it effective. This can enable both parties to build on and reinforce their already existing values and image. The reinforcement of values and image can then further lead to a strong reputation which is vital for both organisations’ further success and survival. Furthermore, the analysis of Nike’s and (RED)’s customers revealed that the customers are likely to understand and accept the collaboration and choice of partner. The existence of several overlaps between Nike’s and (RED)’s values, identity, image and customers strengthens the collaboration and demonstrates an immediate basis for an effective CRM partnership.

Based on the above analysis, there are no apparent elements hindering the collaboration between Nike and (RED) or hindering them in achieving their respective goals. However, in order to more fully examine the potential of the collaboration for both Nike and (RED), we will now analyse the collaboration and campaign regarding the specific benefits and risks related to it. Thus, the following section will, based on this section and sections; 10.3, 10.4, 12, 13 and 14 analyse the partnership in terms of major motives, benefits and risks.

16 Motives and Benefits for (RED) and Nike

A major benefit for both parties is heightened exposure and awareness among the public. Nike is a large multinational company, famous for its innovative and exciting advertising. Thus, Nike presumably has a large marketing budget and extensive knowledge and expertise regarding advertising and marketing. (RED) can benefit greatly from this expertise and reap the benefits of greater cause and brand awareness since Nike’s advertising tends to make people take notice. This will also create a more effective message for (RED), since they are associated with a well-known business.

For Nike, the greater awareness seems to lie mainly in the events related to the collaboration as well as the product itself. The recognisable (NIKE) RED laces are endorsed by many top athletes who use them in their respective sports matches and events. Hereby, (RED) also reaches a new customer segment since none of its previous partners are within the sports market. Thus, the presence of (NIKE) RED laces at sports events create great awareness for both Nike and (RED).

Furthermore, the use of celebrities as endorsers of a campaign also has a significant effect on the persuasiveness of the message and can create a high degree of attention and interest for the cause (Ohanian, 1991). Thus, the “Lace Up Save Lives” campaign’s use of respected top athletes as endorsers for the (NIKE) RED laces, makes the message more trustworthy among the public.
The timing of the campaign can prove to be exceptionally important for Nike. The campaign was launched in the end of 2009, approximately half a year before the 2010 FIFA World Cup in South Africa. FIFA, the governing body of world soccer, has an exclusive partnership with Nike’s biggest competitor; Adidas. This means that Nike is not involved on any official level with the 2010 FIFA World Cup (Hughes, 2009). However, the introduction of (NIKE) RED laces and the consequent endorsement of numerous football players set to play in the World Cup, can serve as a creative way of putting Nike’s stamp on the games. Thus, Nike is evading the restrictions imposed, by creating brand awareness through the very recognisable red laces. Also, Nike is increasing brand awareness in an African football market, by not only having their products present at the World Cup but also by supporting a cause that benefits Africa.

As previously discussed, credibility in connection to the communication of CSR can be complicated, and the organisation should therefore be careful not to advertise their social responsibility too heavily. The campaign is marketed primarily by using celebrity endorsements, events and the Internet. When using the Internet, the audience need to pull the information themselves and actively seek it and it is thus less intrusive than push media (Devereux 2007 pp. 10-11; Windahl & Signitzer 2004 pp. 159-162). However, the pull function of the Internet also means that people have to be aware of the collaboration or have a general interest in (RED) and/or Nike to go looking for the information. Thus, the use of social media such as Facebook and Twitter as well as the staged events and celebrity endorsers are good ways to create hype about the campaign and engage in viral marketing (Ohanian 1991; Morrissey 2009). This will spread the word about the campaign and lead to people pulling the information from the Internet.

Another advantage of using the Internet is the fact that the campaign becomes global and reaches a large and broad audience. The Internet is generally a big part of the younger generations’ lives and they are the ones who are most likely to be influenced by the Internet compared to the older generations (Britt 2008 pp. 65-66). Thus, the Internet is an effective way for Nike and (RED) to create awareness among their target groups who are mostly young people.

17 Risks for (RED) and Nike

As established in section 15, Nike and (RED) share the commitment to social responsibility which creates a perception of fit. However, the two organisations focus their commitment in different ways. Nike is committed to improving working conditions, environment and society through the
utilisation of sport, while (RED)’s mission is purely to help solve HIV and AIDS problems in 
Africa. AIDS and Africa do factor into Nike’s previous CSR commitments, however it is not the 
primary area of focus. Thus, Nike does not have an already affirmed place in relation to the cause. 
This could hurt the immediate perception of the collaboration, since HIV and AIDS might seem as a 
departure from Nike’s previous engagements and commitments. Being a good corporate citizen is 
already an integrated part of Nike’s business strategy, but the lack of focus on sport may dilute the 
brand and damage their image. However, 50% of the money gained from the collaboration does in 
fact go to educating African people about HIV and AIDS through the utilisation of sport. The 
communication about this fact, however, is rather weak and thus not sufficient enough to connect 
the campaign to Nike’s previous sports-focused CSR initiatives.

In relation to the communicative aspects of the campaign, the lack of details on how the money is 
spent and who it benefits might lead to questions regarding the sincerity of the collaboration. On 
most of the communication material surrounding the campaign, the only indicator of what is 
actually supported is a line that simply says “Lace Up Save Lives. Designed to fight AIDS in 
Africa” (Appendix 22). People have to go to Nike’s or (RED)’s website to find more details on 
where the money goes and even these reports are rather elusive regarding the exact use of the 
money (Appendix 27). This could negatively affect the image of both Nike and (RED) and lead to 
customers being unwilling to support the collaboration.

As established in section 10.4.2, the more altruistic the motives of an organisation are, the greater 
the response the customers will have. Nike does not gain any direct profit from the sale of NIKE 
(RED) laces, since 100% of the profit goes to (RED) which makes the consumers more likely to 
perceive Nike’s motives as unselfish and sincere. However, some consumers might be critical 
towards the amount of money that Nike actually donates. The 100% of the profit that goes to (RED) 
is money that the consumers donate, while Nike only has the expenses of producing the laces, 
which is presumably a small amount. Thus, Nike actually only donates a very small amount of 
money to the cause and instead spends money on promoting the campaign and hereby their own 
brand. This could negatively affect the image of Nike and make some critical consumers unwilling 
to support the collaboration.

(RED) is notorious for straying away from a charity image and is characterised as a commercial 
activity. Thus, (RED) explicitly states that a partnership with (RED) is for the equal benefit of the 
cause and the partnering organisation. Theoretically, this can have a negative impact on consumer’s
attitude towards Nike who might perceive it as Nike exploiting a good cause for its own benefit. However, as discussed in section 10.4.2, transparency and honesty in a CRM collaboration is vital to reduce scepticism and demonstrate sincerity and credibility. Thus, since (RED) is honest and forthcoming about the benefits and motives of its partnerships, this might in fact be a more important factor in shaping the customers’ perception of the collaboration. Since the motives are not hidden and the cause still benefits from 100% of the profit, the question of whether Nike’s motives are perceived as altruistic may arguably be less important.

(RED) and Nike are internationally recognised brands, and as established in the previous section, there is no apparent conflict between their values and image. However, Nike has been subjected to a great deal of criticism and has had many scandals surrounding them in the past. Though a lot has been done to resurrect Nike’s image, the public might still be somewhat sceptical or have the scandals in the back of their minds. If Nike is involved in a new scandal, it can be particularly hurtful due to the magnitude of their previous ill-fated practices. Thus, by entering into the collaboration, (RED) is subjected to increased vulnerability and the risk of negative publicity.

Due to Nike’s previous scandals concerning labour practices, the public is aware of their contract factories and the conditions in these. Even though there is honesty surrounding the mutual beneficial relationship between Nike and (RED), Nike might still be faced with some amount of scepticism. Thus, some critical consumers might consider the partnership a cheaper and easier way of gaining a good image instead of actually improving the work conditions or salaries in its contract factories.

In relation to this, Nike’s low level of involvement in Africa and the perception of dubious labour practices on their part may bring a negative image to (RED). (RED) can be perceived as wanting to pair up with any organisation that holds substantial brand benefits regardless of their work, social or environmental engagements. Thus (RED) does not challenge Nike’s actual operations and practices which might give them a somewhat cynical image as caring only about Africa. Furthermore, Nike is involved in countless of other CSR initiatives, which can affect their level of commitment to (RED) and the involvement in the fight against HIV and AIDS in Africa. Over time Nike might start to pay more focus and attention to their other CSR initiatives and not be as actively involved in (RED)’s cause.
In an extension of this, (RED) has also been exposed to criticism which could negatively affect Nike’s image. Arguably, this criticism has not been as severe as the one targeted at Nike, however it is still something to be aware of as well as any possible critique in the future. Furthermore, Nike’s image can also be affected by any negative publicity surrounding (RED)’s other partners, whose actions also, to some extent, reflect back on Nike. In addition to this, Bono is the co-founder of (RED) and is closely related and associated with (RED) among the public. This means that his actions and statements can influence the collaboration and Nike’s image as well. Bono is known as a philanthropist but also as a person who can be quite provocative. He is very straightforward and speaks his mind and is actually quoted in the Herald Sun as saying; “I’m a rich rock star, so shoot me” (Anonymous, 2009). Statements of this nature can create contempt among the public and can be perceived as being a double-standard since he is encouraging others to spend money on the fight against HIV and AIDS meanwhile he is living the life of a millionaire.

As a final comment, the collaboration between (RED) and Nike might unintentionally alienate other potential partners for (RED). The collaboration with Nike can for example exclude Adidas as a potential partner since it is Nike’s direct competitor. As such, it limits (RED)’s choice of partners in the future.

18 Summary

Based on the above analytical sections, an overview of the possible motives, benefits and risks related to Nike and (RED)’s collaboration have been created;
### Motives and Benefits

<table>
<thead>
<tr>
<th>Nike</th>
<th>(RED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased awareness</td>
<td>Increased awareness</td>
</tr>
<tr>
<td>Means to avoid sponsor restrictions for FIFA 2010 World Cup</td>
<td>Greater exposure</td>
</tr>
<tr>
<td>Reaching the African football market</td>
<td>Reaching new customer segment</td>
</tr>
<tr>
<td>Indirect financial gain</td>
<td>Expanded funding</td>
</tr>
<tr>
<td>Competitive advantage</td>
<td>Greater message effectiveness</td>
</tr>
<tr>
<td>Improve image</td>
<td>Improve image</td>
</tr>
<tr>
<td>Build and reinforce brand and values</td>
<td>Build and reinforce brand and values</td>
</tr>
</tbody>
</table>

**Table 3** Motives and Benefits for Nike and (RED) (own adaption)

### Risks

<table>
<thead>
<tr>
<th>Nike</th>
<th>(RED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chance of scepticism and negative influence on image related to self-serving motives</td>
<td>Limiting future choice of partner</td>
</tr>
<tr>
<td>Unwillingness to support the cause due to lack of information about the use of the accumulated profit</td>
<td>Unwillingness to support the cause due to lack of information about the use of the accumulated profit</td>
</tr>
<tr>
<td>Chance of the collaboration being perceived a cheap way to fix Nike’s image</td>
<td>Chance of being perceived as only caring about Africa at the expense of labourers in Nike’s contract factories</td>
</tr>
<tr>
<td>Risk of negative publicity rubbing off of (RED)</td>
<td>Risk of negative publicity rubbing off of Nike</td>
</tr>
<tr>
<td>Critique regarding the actual amount of money donated by Nike</td>
<td>Risk of less attention and support from Nike over time due to their other engagements</td>
</tr>
</tbody>
</table>

**Table 4** Risks for Nike and (RED) (own adaption)

As established in section 15, the compatibility and lack of conflict between Nike’s and (RED)’s values, images and identities create a foundation for an effective collaboration in which both Nike and (RED) can draw benefits from each other. Furthermore, based on an analysis of Nike’s and...
(RED)’s customers, we also found a predisposition for them to agree with the respective choice of partner.

Based on our above analysis it is apparent that Nike’s motives seem to be more on the self-serving side rather than altruistic. However, at the same time money is raised for the cause on premises that (RED) has set up. That is, the premise that both the organisation and the cause should benefit from the collaboration. Nike is gaining in terms of increased awareness and building and reinforcing their brand while still donating 100% of the profits to (RED)’s cause. Thus, (RED) is gaining funding for their cause while also benefitting from increased awareness and heightened exposure. Both organisations are hereby gaining awareness with the possibility of building a positive image which over time can help build a good reputation. This means that both Nike and (RED) are achieving their respective objectives and drawing substantial benefits from the collaboration.

However, the risks that they are facing should not be underestimated. Some elements such as the lack of information about how the money is spent could have a negative impact on both partners’ credibility and lead to an unwillingness to support the cause. Furthermore, a substantial risk lies in the criticism connected to both organisations and the chance that negative publicity or attitudes towards one partner will rub off on the other.

From the above analysis, we find that the collaboration between Nike and (RED) is built on a solid foundation that leaves Nike and (RED) in a situation where they can reap many benefits from it. However, both parties should be aware of the risks connected to the collaboration as well. In conclusion, we find Nike and (RED) to be compatible partners in a CRM collaboration and that “Lace Up Save Lives” holds great possibilities of creating preferable situations for both Nike and (RED) despite the differences in their motives and goals.
Part 4: Conclusion

19 Conclusion

With a point of departure in the hermeneutical circle, we have, in this thesis, moved back and forth between the parts and the whole in a continual process in order to reach a consistent and noncontradictory conclusion of the thesis’ problem statement.

This thesis set out with a desire to examine the notion of CRM from both the for-profit and non-profit point of view with the purpose of analysing the different motives, benefits and risks that both parties face in a CRM collaboration. This was done by engaging in a theoretical discussion as well as conducting a case study analysis using the collaboration between Nike and (RED) and their campaign “Lace Up Save Lives”.

In part 2 the concepts of the postmodern society, PR, CSR and CRM were discussed through the use of relevant theories and concepts within the thesis’ subject area. Thus, the thesis’ theoretical part was used to define and discuss the concept of CRM and all its related elements. These sections created a solid foundation for the further discussion of CRM in the context of the motives, benefits and risks involved for both parties.

For both parties, CRM is a way to create something tangible for the consumers. The NPO no longer only offers its consumers a good conscience but also a tangible product, and CRM is also a tangible way for the organisation to express its CSR commitments. Furthermore, for the NPO, many of the main benefits relate to additional financial and non-financial resources, while CRM also creates greater awareness and the possibility of differentiation. For the organisation, CRM provides the opportunity to fulfil the increasing demand for socially responsible conduct and create a good image. Many of the risks for both parties also relates to finances and subjects such as image and reputation. Furthermore, a partner should be chosen with care since one party’s actions, whether it is negatively or positively perceived by the public, reflects back on the other. In fact, we found that choice of partner is fundamental in creating a collaboration that can benefit both partners. In this relation, we also found that the perceived fit between the partners’ values, identity and image is particularly important and will enhance the understanding of the collaboration among the customers. This makes the chances of both parties reaching their goals greater.
The empirical analysis was conducted from a single case study of the CRM collaboration between Nike and (RED) and their campaign “Lace Up Save Lives”. In order to answer the problem statement we examined Nike and (RED) and, among other things, analysed their target customers. This gave us an insight into these two organisations and their values, image and identity. (RED) was characterised as a unique NPO with their atypical business strategy. Furthermore, (RED) is a modern and exclusive brand that offers many self-expressive benefits to their customers both in relation to their choice of partners but also in terms of expressing social responsibility. (RED)’s values were identified as being hope, responsibility, continuous improvements and the fight against HIV and AIDS. Nike, on the other hand, has a mission to enhance its customers’ lives through sports. Nike is an international brand that values responsibility, excellence and innovation highly. Moreover, customers of Nike seek its self-expressive benefits and strive to perform to the best of their ability.

Based on this, a comparative analysis, in which Nike’s and (RED)’s values, identity and image were compared, was carried out in order to identify any possible commonalities and shared values. We concluded that the two parties do not have any directly conflicting interests or values. Furthermore, shared values were identified which is one of the most important prerequisites for an effective collaboration in which both parties can reach their goals. Several overlaps between the parties’ identity, image and customers were also identified. This aids in the strengthening of the collaboration and makes it more likely that the respective customers will understand and agree with the choice of partners and consequently support the collaboration. Therefore, we concluded that there is no apparent reason for why the collaboration between Nike and (RED) should not be successful.

The final part of the analysis consisted of a more specific examination of which motives, benefits and risks there exist for Nike and (RED) in entering this collaboration. For both Nike and (RED) great benefits and presumably motives lie in the increased awareness that the campaign and collaboration creates. Also, by being linked to each other, Nike and (RED) can reinforce their already existing image in terms values such as exclusivity and trendiness. Furthermore, (RED) gains 100% of the profit to their cause and benefits from Nike’s great marketing funds and expertise. For Nike, the timing of the campaign aids in creating global awareness since it correlates with the 2010 FIFA World Cup where Nike is otherwise prevented from featuring their logo.
Different risks also presented themselves throughout this analysis. The primary risk identified, is related to the choice of partner and how they reflect back on each other. Both Nike and (RED) have previously been in the media and public spotlight and several critique points have been raised concerning both organisations. Especially Nike has been the subject of intensive media scrutiny that could have a negative influence on (RED), and it is therefore particularly important that Nike is not involved in a new scandal. Likewise, (RED) and the actions of its partners and co-founder, Bono, can reflect back on Nike and create negative publicity. The communication of the campaign also poses a risk since it is rather unclear how the donated money is used to help Africa.

Thus, this collaboration carries potential benefits and risks for both Nike and (RED), and it has the capability of either negatively or positively influencing their image. However, based on our analysis we find that Nike and (RED) has been rather successful in creating the campaign and collaboration, and given that no sudden or unexpected events take place, it could carry great benefits in terms of awareness and consequently a more positive image for both parties.
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21 Appendices

Appendix 1: (RED) (2010a): *Nike and (RED) Unite to Leverage the Power of Sport to Fight HIV/AIDS in Africa*. [Online] Available at:

Appendix 2: (RED) (2010b): *The (RED) Idea* [Online] Available at:

Appendix 3: Business in the Community (2004): *Brand benefits – How cause related marketing impacts on brand equity, consumer behavior and the bottom line* [Online] Available at:

Appendix 4: AidWatch (2010): *Humanitarian and Disaster Relief* [Online] Available at:

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Appendix 8: (RED) (2010f): *PRODUCT RED Partners* [Online] Available at:
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Appendix 9: BUY (LESS) CRAP (2010): *Shopping is not a solution* [Online] Available at:

Appendix 10: Nike (2010a): *Company Overview: History* [Online] Available at:
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Appendix 20: Overview of Nike’s Community Programmes (Adapted from Appendix 21)

**Appendix 22:** Nike, (2010n): *Nike Store – (NIKE) RED Laces* [Online] Available at: 

**Appendix 23:** Nike (2010o): *European Football Leagues Turn (RED) to ‘Lace Up. Save Live’* [Online] Available at: 

**Appendix 24:** (RED) (2010g): *Brazil Versus Ireland Turns (RED) to Lace Up. Save Lives* [Online] Available at: 

**Appendix 25:** (RED) (2009): *Announcing (RED)’s New Partner: NIKE – Lace Up. Save Lives* [Online] Available at: 

**Appendix 26:** Soccerlens (2009) *Nike Teams Up with RED to Fight Against HIV/AIDS in Africa* [Online] Available at: 

**Appendix 27:** (RED) (2010h): *Impact* [Online] Available at: 