CHAPTER – 5
DISCUSSION AND CONCLUSIONS

5.1 DISCUSSION AND MANAGERIAL IMPLICATIONS
5.2 CONCLUSION
5.3 RECOMMENDATIONS FOR FUTURE RESEARCH
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5.1 Discussion and Managerial Implications

Cause related marketing has over the years evolved as one of the most established marketing activities (Berglind and Nakata, 2005) and wide range of organizations in India have adopted CRM as a marketing tool like TATA, P&G, HLL and Citibank (Kureshi and Thomas, 2014). There is a strong belief among consumers that companies should make positive contribution to the society through undertaking social responsibilities (Endacott, 2004).

The findings of this research study would have strong implications for marketing professionals as well as academicians. The CRM execution has to be an integrated approach wherein the elements cannot be addressed in silos but it has to be taken into consideration by the marketing manager simultaneously for CRM participation. The marketing expenditures for CSR activities could be streamlined by the organizations by focussing on activities leading to CRM participation, which would provide the maximum return on the brand or product and maximize marketing effectiveness for other partners.

The most challenging part for an organization to succeed in the marketplace in today’s dynamic environment is to undertake activities which are in line with their mission and vision while deciding to involve in CSR activities and subsequently in CRM initiatives. The research undertaken in this study augments to a significant empirical contribution by learning and investigating awareness, perception and preferences towards CRM. The marketers or communication experts would be provided with fresh inputs from the CRM perspective which would allow progress especially in areas like CRM awareness, selecting specific causes, cause scope and nature of donation.
CRM literature studies have been embraced by more and more practitioners and the literature has gradually improved the understanding of the CRM context. CRM adoption by the practitioners in the organizations leads to social outcomes as well as business outcomes. Moreover, the research on particularly CRM awareness would be insightful for marketers for number of reasons. Firstly, when unaided awareness is taken into consideration, males are found to be higher on CRM awareness when compared to females which provide relevant direction to brand managers to target women in CRM communication. The result of the previous research on gender differences has been confirmed in this study as well (Ross et al., 1990-91, 1992; Cui et al., 2003). Secondly, as per this research study, aided awareness does not create much gender difference which again is crucial information for marketers, while designing CRM campaigns. There are various other studies which have examined CRM activities and have found no gender differences (Barnes, 1992; Chaney and Dolli, 2001; Pope et al., 2004; Youn and Kim, 2008).

The relationship among the demographic variables and CRM phenomenon are worth noting since it is complex and this information gathered through the findings of this study would be crucial for a manager in CRM decision making. With respect to age, CRM awareness is found to higher in older adults in the age group of 50 years and above compared to younger and middle-aged adults. Several researchers have studied socio-demographic characteristics (Cui et al., 2003; Tustin and Pienaar, 2005) and these characteristics differ depending upon the life cycle (Broderick et al., 2003). Paul (2001) assert that with the age difference, the perception also differs whereas Cui et al. (2003) further state that the response to marketing actions also differs with age. Consequently, the present findings are in line with the ones obtained by previous studies which support that CRM response differs across age (DaSilva, 2004; Corbishley, 2007). With respect to education, CRM awareness is found to have more effect on those who are highly educated especially those who
are post graduates and professionals. These findings are in conformity with studies like Cui et al. (2003) which have found significant effect on CRM responses when level of education is taken into consideration. However, when aided awareness is taken into account with respect to education level, it does not have a significant impact. Youn and Kim (2008) have found that education does not have any effect on CRM response. The examination of income as a demographic variable leads us to the fact that from the Indian perspective there is no major difference in CRM awareness. This is consistent with the findings from previous research studies which have found income to have no significant effect on CRM responses (Youn and Kim, 2008). Cui et al. (2003) also found that family income has no effect on CRM evaluation at individual level. With reference to theoretical implications, future studies should continue to explore and further investigate the CRM responses from demographic factors from Indian perspective to uncover information which has not been explored in the past. The results reported from demographic perspective and CRM awareness in this study here reinforce some of the previous findings stated in the academic literature and provide further inputs for the CRM field, proving it insightful for communication experts and marketing professionals.

The intent of this study was also to build base to uncover the perception from CRM responses. Endacott (2004) states that consumers from different countries possess different perceptions of CRM. One of the major objectives of this thesis was to highlight the role of perception towards CRM and examine the CRM perception towards company and brand. Hence, there are two separate areas of CRM perception which have been emphasized. Firstly, perception towards company and secondly, perception towards brand. The findings regarding perception in this study do match with the literature studies (Mohr et al., 1998; Cone/Roper, 1999). This study, thereby, contributes to the sparse body of knowledge required to understand the customer perception towards CRM. The findings underline the significance of CRM perceptions towards
company and the brand which highlights the area of focus for practitioners, if they want to further investigate into the formation of CRM attitude and purchase intentions. Similarly the ‘perception towards company’ and ‘perception towards brand’ have emerged as two significant factors in this research study. These two factors significantly contribute to research in terms of decision making for marketing managers and understanding the overall design of CRM implementation.

This study also provides insights to marketing professionals about the type of cause selection so that it would align with the overall organizational objectives of the CRM. To make CRM more meaningful to customers, it is essential for marketing managers to implement the CRM activities that align well with the target segment and lead to utmost customer engagement. Today’s customers are well aware that CSR activities are undertaken by several organizations. However, these CSR or CRM activities derive support from the customers only if it happens to be meaningful to them. The customers are sceptical about these activities undertaken, if it does not meet their expectations. This study substantiates on specific causes like education, health and underprivileged (homeless, old age, physically handicapped) that are preferred by the customers which would allow the marketers to adopt the preferred causes to connect well with the target segment. The identification of a specific cause as per the customer preference would also help the marketer find a charity partner who contributes to the objective of the organization. For instance, the customers who consider the cause to be worthy in a CRM activity feel more connected and hence believe in participating in the CRM activity. The charity partner and the business organization along with the designated cause would lead to serve the needs of the target segment in a much effective manner. This information gathered for the selection of the cause, furnishes set of innovative ideas to marketers, to utilize to the highest extent to generate goodwill as well as high sales. If the cause is selected as per the customer’s preference, there are higher chances of customers getting
more attached to the cause and getting involved in the CRM activity. For any organization it is essential to have knowledge about what conditions lead customers being inclined to involve themselves in social activities under the umbrella of CSR. The findings of this research on cause type selection should be adopted into the marketing activities in the organization. The proficiency in adopting and implementing such small differences in CRM activities could result in large numeric differences and enhanced CRM sales. It is also necessary that marketing managers should not ideally underestimate these findings and definitely should exploit this to the advantage of the organization. The basis for this also arises from the fact that customers differ in their evaluations and might seemingly find certain CRM elements more appealing which would have implication for CRM campaigns undertaken by the organizations.

When it comes to the nature of donation, as per the findings of the study the customers highly prefer to participate in CRM activity where the amount of donation is clearly specified and communicated in terms of percentage. This is also in line with previous studies that consumer response is induced by the amount of charitable support openly specified in a CRM activity (Olsen et al., 2003). Accordingly, the marketing practitioners should ideally find the research information related to the cause scope valuable because respondents have indicated more preference towards national and local causes rather than regional causes. Moreover, it would also be of interest to the local marketer to connect to local causes for deriving more support and participation for CRM activities. Likewise, the companies also could concentrate on national causes rather than regional causes for greater participation in CRM activities. The present study has substantively contributed to area of the scope of cause. The information gathered on antecedents of CRM participation provides a novel approach to this body of research and could provide significant contributions to the Indian marketers who have national as well as local presence. Marketers in the local markets would find this research noteworthy because this research validates CRM in
strongest sense and undeniably proves that the consumers in Gujarat are supportive of CRM. The business houses in Gujarat intending to adopt the CRM strategy would find this research output useful, while positioning a product or brand in a target market and differentiating an offer in a particular segment. It is exactly similar to the explanation given above that the cause type preference would be higher if the customer come across a cause which they cared about and that is the reason why marketers should highly concentrate on causes like education, health and underprivileged (homeless, old age, physically handicapped) which lead to CRM participation. This research study is the first of its kind to provide advances over previous research studies which ignore the Indian perspective of cause related marketing practices in terms of cause type, cause scope and nature of donation. It provides a unique platform for other researchers to explore further in the field of CRM adoption in India.

It would be very crucial to have information regarding the CRM participation for the organization which would be very useful for the marketing managers handling the CRM portfolio. When the information regarding what is the preferred cause type or what is the preferred cause scope along with the nature of donation or what is the most preferred source of information for CRM awareness is available, then practitioners could design effective CRM programs for greatest extent of CRM participation. The compatibility judgement for CRM participation would increase only if all the elements of CRM are compatible with the preferences of the customer who is engaged in the activity. This research definitely answers some unanswered questions about CRM participation from Indian perspective and highlights some potential factors marketing experts in the organization should take into account while implementing CRM activities. Additionally, the findings provide insights to both academicians and marketers and imply that the participation in CRM could be controlled through the measured variables under investigation. The marketers could adjust their CRM strategies accordingly and nurture excellence in the promotional efforts undertaken towards the CRM
activities to increase sales and boost overall CRM success. Here in this research, associative learning theory was utilized as a theoretical rationale to justify the origins of CRM participation which plays a very critical role in the CRM execution. The marketers who wish to adopt CRM as a strategy for the organizations also should take into consideration that CRM awareness plays a crucial role in the decision making process of customers especially when it comes to association towards participation in CRM driven activities. In this research, CRM participation was examined and the model developed determines the CRM relationship framework among the variables under study which fairly defines the success or failure of a CRM activity. Such a model would provide much greater opportunities for the managers of the organization to employ the CRM activities with utmost advantage to realize the organizational objectives.

This study has addressed one of the key questions faced today by the marketing managers in the organization – What would make the customers participate in CRM to make the overall program a success with respect to greater CRM participation?. Pringle and Thompson (2001) assert that cause related marketing success is attributed to the interplay between the CRM elements and the capability to sentimentalize the charity organizations. The CRM optimization would lead to a much better CRM campaign for the organization which would, hence, optimize both organizational and consumer benefits. This study clearly meets its objective in the sense that the contribution is theoretically backed by association learning theory and methodologically backed by the adoption of advanced techniques like structural equation modelling (SEM) to test the proposed measurement model. The utilization of advanced techniques increases the ability to test as well as uncover the association relationship that could provide direction for successful CRM participation. This study also extends the literature on association learning theory about how customers respond and participate in the CRM activity in the Indian context.
5.2 Conclusion

Endacott (2004) states that the role of corporate social responsibility has gone at a different level where customers have greater level of expectation from organizations to make positive contributions to the society at large and hence this study contributes to understanding the underlying dimensions of the CRM phenomenon and response towards CRM activities from the Indian perspective. Mohr et al. (2001) state that customers require to believe that the organisations are doing good for helping the society in an altruistic manner through their conduct. This makes it essential for the organizations to exhibit greater level of corporate social responsibility. However, this could be achieved only if the CRM activities are in association with the needs and expectations of the customers. Out of the several studies reviewed and theories presented in the literature review section, there is no evidence of a model which provides the antecedents of CRM participation of customers from the Indian region. Here is where the framework provided by this study could be utilized by marketers as well as it has various implications for academicians. Additionally, the grounding of this model on the association learning theory has significant consequences. Likewise, the grounding of this model on one theory also leads to streamline research opportunities for academicians. The greater understanding of the CRM participation and CRM perception would allow the managers to select proficient partners for the CRM activities. CRM has been highly discussed in the literature and it has been embraced by academicians. This thesis further adopts associative learning theory as a foundation for comprehending CRM participation. As a caveat of the findings presented here, the CRM participation may vary depending upon other factors like familiarity with the cause, nature of cause, reputation of the company, charity partnership and several other factors. However, this research study definitely makes a contribution in understanding the dynamics of CRM participation from the consumer response perspective. One of the major outcomes of this
research is a model which tests the association among the antecedents of CRM participation. The association of CRM awareness, cause type and cause scope along with nature of donation leads to CRM participation, which is a crucial piece of information for marketing managers to take decisions for a successful CRM activity for the organization. One of the objectives of this research was to study the antecedents of CRM participation as mentioned under the section of research objectives. This research has provided new dimensions to the academic literature in the CRM context. The major contributions of this research are (a) understanding CRM Awareness from demographic perspective (b) perception towards the company and perception towards the brand as the significant factors to be taken into consideration by the marketing managers when it comes to evaluating the perception towards CRM (c) antecedents of CRM participation which are precisely cause type, cause scope along with nature of donation and CRM awareness.

This research study provides various theoretical implications for CRM literature. Firstly, the model derived through the empirical research could become a possible framework for understanding the CRM phenomenon and a strong basis for further exploration into the area of CRM participation. Secondly, the descriptive research approach adopted in this study would allow other researchers to further examine the association between the CRM constituents of the framework. As a potential explanation for the outcomes of this study, to enable the effectiveness of the CRM activity, it becomes crucial to investigate the situation under which CRM products are bought (Burnkrant and Page, 1981). Additionally organizations must have knowledge about which customer segment is likely to respond to CRM activities in terms of their awareness levels, perception levels and preference levels. The marketing experts must realize that CRM is here to stay as an integral part of the business and ultimately through CRM - consumer, company and charity mutually benefit. CSR is undeniably gaining momentum and significance in today’s competitive environment and without ethical considerations, companies
can hardly survive the market. If the CRM decisions are taken with strategic considerations in a holistic manner, the organizational CSR objectives could be made more sustainable with a long term perspective.

CRM Cause preference, CRM Cause Type and CRM Awareness are integral aspects of customer participation in the CRM activity designed by the company. Based on this critical information, CRM activities undertaken by the companies could be formulated from holistic perspective leading to optimization of company, customer and cause benefits. In today's environment, the findings of this research study would guide the decision makers in the organization to establish a link between CRM activities and its elements under the broader domain of CSR. Here the effectiveness with which marketing managers implement the CRM programs would require practical knowledge inputs and this research would provide valuable information for devising a successful CRM strategy. This research concludes that organizations that would want to integrate and have a holistic approach towards CRM, should strongly focus on CRM participation which is again dependent on lot of CRM response elements which need to be carefully crafted and delivered by marketing managers as per the needs of the customers from the CRM context.

5.3 Recommendations for future research

This study offers significant contributions as to how CRM activities could be undertaken by providing insights on customer awareness, perceptions and preferences from Indian perspective. There are variety of areas related to CRM field which could be further investigated like attitude, purchase intention and scepticism towards CRM. This research has provided new insights and knowledge on how CRM participation could be enhanced to provide benefits to both customers and organizations. It is definitely assumed that CRM would be adopted by Indian organizations in the coming years and there is a lot of research which has to be carried out for better understanding of this concept. A few of results and findings are
novel to the CRM academic literature and hence opens up areas for future research.

Additionally, this research has concentrated on the customer perceptions and especially on perceptions towards company as well as towards brand. There are also other areas of CRM perceptions which are yet to be discovered. For instance perception towards cause is an area which could be further examined by researchers, which is not covered by this research study undertaken. Such analysis would unearth more information to analyse further areas of CRM attitude, CRM purchase intentions and overall CRM behaviour. However, as mentioned in the limitations of the study, this study could be further undertaken and extended into other states of India to acquire more meaningful interpretations and to attain better insights from consumer perspectives. Based on the findings from the current research study, there is room for studies in India on a larger scale which would validate the final results.

Moreover, there might be several factors working when linked with gender differences that could possibly be investigated. The demographic variables could be further included and could be probed with other CRM elements. Accordingly, the findings provide us with fine grained information for the Indian market environment. The current findings of this research study could be further explained by the fact that customer would participate more in CRM activity if a lot of CRM elements fall in place for them in the buying situation. Few of those elements have been addressed by empirical research and a lot more still needs to be investigated through conducting research from Indian perspective. There is a potential for focused research from Indian perspective, on several areas under the umbrella of Cause related marketing such as CRM cause type preferences, nature of donation and CRM cause scope which would throw light on multiple dimensions of CRM practices of Indian consumers.
REFERENCES


