

# indian management

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- CAUSE MARKETING ♦
- SIGNAGE AS STRATEGY ♦
- RISE OF THE OMNICHANNEL ♦
- EVOLVING TRENDS ♦
- COMBATING AD BLOCKERS ♦

# MARKETING ROI

Driving corporate competitiveness and profitability





# Will buy for a cause

*“In the future, if you cannot demonstrate that you are legitimately doing something to make the world better, your business is in trouble.”*

◆ DR JACKIE FREIBERG AND DR KEVIN FREIBERG, AUTHORS, *CAUSE! A BUSINESS STRATEGY FOR STANDING OUT IN A SEA OF SAMENESS*

**A**s the saying goes, “there is no new normal.” The criteria by which customers, governments, communities, employees, and investors evaluate and align their allegiance to businesses is changing radically. Profit is still the Holy Grail, but not for long. Today, a company must not only be profitable but also have a positive impact on a world that is asking, “is what you are doing going to have a long-term

positive consequence for humanity?” Consider these trends that will dramatically shape the future of marketing:

- Selling a good product or service is no longer enough to attract consumers who are socially conscious and passionate about sustainability. They want to do business with companies that have real, meaningful impact.
- More and more consumers feel personally accountable for making purchasing decisions that are socially and environmentally responsible. Increasingly, people will decide where to shop, what to buy, and what products and services they recommend to others based on the social and environmental impact companies have.
- Transparency is changing the face of corporate social responsibility. Social media now gives us unprecedented access to information about how companies behave. An overwhelming majority of shoppers say they will boycott companies engaged in irresponsible business practices, and switch to brands that are genuinely making the world better. In many cases, even if they have to pay more.
- In a nutshell, if you sell a widget and I sell a widget that are similar in price and quality, but yours is built around a noble, heroic cause, people are going to buy from you.

## **BE good; not just DO good**

CSR was the first phase in addressing these emerging trends. For the most part, CSR is an add-on, i.e., how can the business do what it does and help the world, or hurt it the least. Now, the most progressive companies in the world are starting to define themselves as a cause. Addressing critical social needs, enriching the human condition, and making the world better is not just an add-on to what these firms do; it is what they do. Improving lives is not a by-product of making profits; it is the means by which the business makes a profit.



Chris Parypa Photography / Shutterstock.com

Southwest's idea of democratising the skies is something customers can buy into.

**Tata companies go in and ask, “What do you think you need and how can we partner with you to make it happen?”**

Here is what these companies understand that is so critical from a marketing point of view.

**Customers do not buy products and services; they buy better versions of themselves**

Blake Mycoskie, founder of TOMS Shoes, chose the name TOMS to signify ‘Shoes For Tomorrow’—with every pair of shoes you buy, the company will donate a pair to a child in need. Mycoskie came up with the idea during a trip to Argentina where he noticed that many of the children he met did not have shoes—a problem in developing countries where one of the leading causes of disease is soil-transmitted parasites that penetrate bare feet.

He also learned that many of these children could not go to school if they did not have shoes. Now, why do we pay an average \$55, and as much as \$100, for a pair of TOMS? It is

because every time we buy a pair of TOMS, we feel a part of something bigger, a part of doing something good in the world. And when we look in the mirror, we see a better version of us.

Why are people in India and around the world so fond of buying Tata products? It is because the Tata Group, known as one of the most ethical conglomerates in the world, has been giving back to communities from which it takes, for more than 140 years.

We visited a village in Sanand, Gujarat, where Tata Motors was building an automobile plant. The entire corporate social responsibility intervention was impressive. The Tatas do not go into a village as a ‘big corporate’ and tell the people what they need. Tata companies go in and ask, “What do you think you need and how can we partner with you to make it happen?” No one questions the fact that the Tatas have raised the tide for the entire nation of India. This is one of the reasons people feel good about buying their products.

**When you sell ‘why’, you do what you do—you are inviting consumers to be part of a movement that gives them an opportunity to express themselves.**

**My purchases are a statement about me**

People seek self-expression and self-identity through what they buy. When we buy products that enrich lives, from companies that are doing good, we create a better version of ourselves.

Apple created an entire ecosystem of products and

services that have made our lives better. In healthcare alone, would Steve Jobs have even guessed, that today there are more than 13,000 health apps available for download on Apple’s App Store?

As its retail stores opened, Jobs told the people at Apple, ‘your customers do not care about your products. Your customers dream of a happier and better life. Do not move products. Instead, enrich lives.’

**For a brand to stand out, it has to stand for something**

Is there a heroic cause for which you fight? Do you have a compelling story to tell? Does that story generate a real emotional response from your customers? Consumers want to see, know, and feel that when they buy your products and services they are connected to something bigger, something good, and something enriching.

The durability and weightiness of your brand will be determined by how well you foster this meaningful, emotional relationship with your customers.

**Belonging to something bigger**

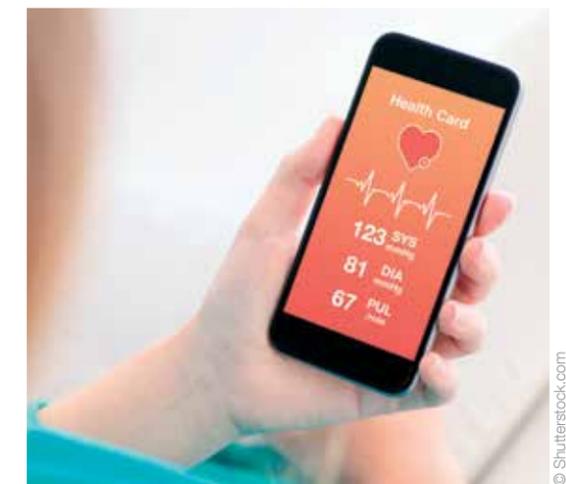
When the business becomes a cause, what follows is a movement, and people ‘opt-in’ to movements. They do not have to be manipulated into joining; they enlist themselves. They do not have to be enticed with exaggerated promises, hype, or fear; they are already drawn to the psychic gratification, the deep meaning, and significance they garner from being part of

solving a problem that matters. When people feel good about their decision to do business with you, when you inspire them to join a movement, they become brand ambassadors.

In a world where so many people feel objectified, dehumanised, anonymous, and discounted, we join movements and fight for causes because we see ourselves locking arms with others, playing an important role in a bigger story—we belong. Collectively, we have more power to affect change, and to make a difference.

When you sell ‘why’, you do what you do—you are inviting consumers to be part of a movement that gives them an opportunity to express themselves. It gives them a platform to tell their story, to make a statement about who they are, what they believe, and what they stand for. It also gives them a sense of belonging, a place where they can join like-minded people who share the same concerns and aspirations.

This is what people are buying. ‘Why’ distinguishes companies such as Southwest Airlines, TOMS Shoes, and the Tata Group from everyone else. It is not ‘what’ they do; it is ‘why’ they do it that captures people’s attention. In the case of Southwest, there are a lot of companies that will put you in a seat and move you from



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Sometimes, companies can create ecosystems that go beyond the products they sell.

## CAUSE MARKETING

**There will always be some market segment that religiously buys goods from socially-responsible companies.**

point A to point B. But there is only one that sets out to fight for the little person. There is only one that initially got into business to democratise the skies. This is their 'why', and that is what people buy. Disney created a place to make people happy. ING Direct wants to create financial freedom by bringing people back to saving. Evernote helps you remember everything. Google democratises access to information.

The people of Vermont-based National Life have developed a direct line-of-sight between their individual contributions and the larger cause for which the company fights. The result is unprecedented growth from a company that competes in a sea of sameness. Experience the culture of National Life and you quickly discover that something beyond selling insurance drives these people. You quickly get the sense that employees are caught up in a cause that touches them at a deeply emotional level— something

that transcends profitability and the bottom line. The emotional connection they have with a larger cause releases a powerful flow of passion, pride, perseverance, and productivity that spills out on to their policyholders. This is one reason why they are blowing the doors off business-as-usual when it comes to loyalty, profitability, and customer value.

Research validates that consumer preferences are shifting. As we said, it is no longer enough just to sell a product or service that works. Consumers expect meaningful social impact. In the future, if you cannot demonstrate that you are legitimately doing something to make the world better, your business is in trouble.

There will always be some market segment that religiously buys goods from socially-responsible companies. If you think they are out on the fringe, think again. More and more of these socially-conscious buyers are occupying centre stage. These trends represent a springboard for growing your company. The market is hungry for something genuine to believe in. ■



ABOUT THE AUTHORS

**Drs. Jackie and Kevin Freiberg** are authors of *NUTS! Southwest Airlines' Crazy Recipe for Business and Personal Success* and the recently released *CAUSE! A Business Strategy for Standing Out in a Sea of Sameness*.



Cause marketing can help a business stand out and grow rapidly.



# 17<sup>th</sup> NATIONAL MANAGEMENT QUIZ

EXPERIENCE THE ULTIMATE BUSINESS, MARKETING AND ADVERTISING QUIZ

### PARTICIPATION FEE (PER TEAM)\*

	1 Team	2-5 Teams	6-10 Teams	11 Teams Onwards
NMQ	₹ 8,000/-	₹ 7,000/-	₹ 6,000/-	₹ 5,000/-

Plus Service Tax @ 14.5%, SERVICE TAX No. AAATA 1644 AST001, PAN No. AAATA 1644 A

Online registration is also available, please visit [www.aima.in](http://www.aima.in)

\*Each Team consists of 2 members

REGIONALS	DATE OF EVENT
BANGALURU -	7th May, 2016
KOLKATA -	14th May, 2016
MUMBAI -	21st May, 2016
DELHI -	28th May, 2016

**GRAND FINALE**  
28<sup>th</sup> MAY 2016, DELHI

**Attractive Cash Prize, Gift Hampers, Trophies, Certificates to the winners of the quiz**

**Quiz Master**  
AJAY POONIA

For more details and submission of registration forms, kindly contact:

**Poonam Rawat**, Manager – CMD

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