

Linking cause-related marketing to sales force responses and performance in a direct selling context

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Abstract The influence of a firm's cause-related marketing efforts on sales representative attitudes and behavioral performance is investigated. Results from a field study indicate that the influence of a representative's construed customer attitude toward the cause campaign on selling behavioral performance is mediated through cognitive identification and selling confidence. Further, the influence of construed customer attitude toward the campaign on selling confidence is moderated by cognitive identification such that the effects are stronger for salespeople with lower levels of identification with the company. The authors discuss the implications of the research and offer directions for further research.

Keywords Cause-related marketing efforts ·
Selling confidence · Customer attitude

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Over the past two decades, corporate social responsibility (CSR) increasingly has been recognized by scholars and utilized by managers as a viable business tool and a potential source of sustainable competitive advantage (e.g., Cone et al. 2003). Charitable giving by corporations reached approximately \$13.77 billion in 2005 in the USA alone (American Association of Fundraising Counsel 2006). Further, a growing body of academic research considers the influence of CSR on a variety of consumer-related outcomes ranging from receptiveness to new products (Brown and Dacin 1997) to consumers' inferences about other individuals (Yoon et al. 2006).

The influence of CSR on important audiences other than consumers, however, has remained largely unexplored, in spite of calls for greater focus on these groups (e.g., Drumwright 1996). Our research focuses on how a company's CSR-related promotional campaign, directed at consumers, can have important effects among members of the sales force, a key internal constituency. We deepen the CSR research stream by replacing the broad idea that CSR efforts will enhance insider morale with a model that depicts and tests (a) specific mediational paths through which salespersons' beliefs about customers' attitudes toward a CSR promotional campaign (i.e., construed customer attitude toward the cause campaign [CCA_{campaign}]) influence their behavioral performance with respect to selling, and (b) a key moderating condition on the influences of CCA_{campaign} .

In the following section, we discuss CSR, in particular focusing on cause-related marketing as one common application of CSR. Next, we develop a conceptual model that connects sales representative CCA_{campaign} with behavioral performance. Finally, we present and discuss the results of a field study involving independent sales consultants working with a direct selling company that provide support for our hypotheses.

Cause-related marketing

In general, there are two dominant perspectives on corporate social responsibility (CSR): normative (i.e., doing good for the sake of doing good) and enlightened self-interest (i.e., the business case). A strong current in recent CSR research is to explicate and document the business case. In part, this current reflects the perception that effective CSR efforts can be viewed as an efficient means for achieving conventional economic ends. In other words, when faced with a conventional business problem one set of “tools” to consider are activities that are often labeled as being CSR because they generate direct benefits to members of society.

Within the rubric of corporate social responsibility, we consider the potential effects of cause-related marketing (or, more simply, cause marketing). We define cause-related marketing as any marketing activities in which company donations to a specified cause are based upon sales of specified goods or services. Unlike traditional corporate philanthropy, cause marketing campaigns do not originate from philanthropic budgets. Instead, marketing managers choose to participate in cause campaigns rather than in other promotional options.

Although we are aware of no research that considers the influence of cause marketing on non-consumer audiences, there is some evidence that companies’ CSR efforts in general have important influences on other stakeholder groups. Drumwright’s (1996) research probably offers the strongest suggestion that a company’s perceived CSR may have important ramifications for people who are part of the organization. Based on qualitative research with company informants, she concludes that ad campaigns linked to a social cause sometimes pursue economic objectives and other times pursue company-oriented objectives such as enhancing morale or communicating the company mission.

Our research, on the other hand, is not concerned with *why* companies pursue cause marketing campaigns, but instead focuses on *how* and *when* such campaigns directed at one stakeholder group (e.g., consumers) might influence the responses of another stakeholder group (e.g., the sales force). In particular, we focus our attention on how a salesperson thinks his or her customers will respond to a cause marketing campaign and the resulting motivational influences on behavioral performance.

Construed customer attitude toward the cause campaign (CCA_{campaign})

We define construed customer attitude toward the cause campaign (CCA_{campaign}) as a salesperson’s belief about how current or future customers would evaluate the cause campaign itself. In our conceptual model (see Fig. 1), CCA_{campaign} exerts multiple influences on salesperson responses.

Although CCA_{campaign} is new to the literature, numerous marketing (e.g., Bhattacharya et al. 1995) and organizational (e.g., Dutton et al. 1994; Scott and Lane 2000; Smidts et al. 2001) researchers have studied how individuals respond to the image they believe others hold of an organization to which they belong. In particular, these researchers have studied the influence of the construed image of the company (see Brown et al. 2006) on member organizational identification. Believing that important others find the organization to be attractive leads organizational members to identify more strongly with the organization. We extend this research by considering the degree to which organizational insiders’ beliefs about how consumers will respond to a single CSR promotional campaign (as opposed to the image of the overall company) may influence their identification with the firm. We also propose an additional direct influence of CCA_{campaign} on the salesperson’s selling confidence. We elaborate on these ideas in the following section.

Hypothesis development

The influence of CCA_{campaign} on identification

Cognitive identification (i.e., Bergami and Bagozzi 2000) represents the degree of overlap between an individual’s self-schema and his/her perception of an entity such as an organization. At high levels of identification, individuals recognize a great degree of overlap between characteristics of the organization and their own characteristics.

As noted, researchers have demonstrated that individuals express higher degrees of identification with entities that are viewed as attractive by important others. For sales representatives, the presence of a cause promotion that is viewed positively by customers—a critically important audience for the sales force—should lead to higher levels of cognitive identification. Because individuals desire to be seen in a positive light, they actively monitor how others perceive the organizations to which they belong. Dutton and Dukerich (1991) note that organization members particularly attend to the organization’s actions on social issues because such issues are central to expressing the character of the organization to others.

H1 Construed customer attitude toward the cause campaign [CCA_{campaign}] will have a positive influence on the salesperson’s cognitive identification with the company.

The mediating role of selling confidence

Although the influence of CCA_{campaign} on cognitive identification with the company is an important outcome

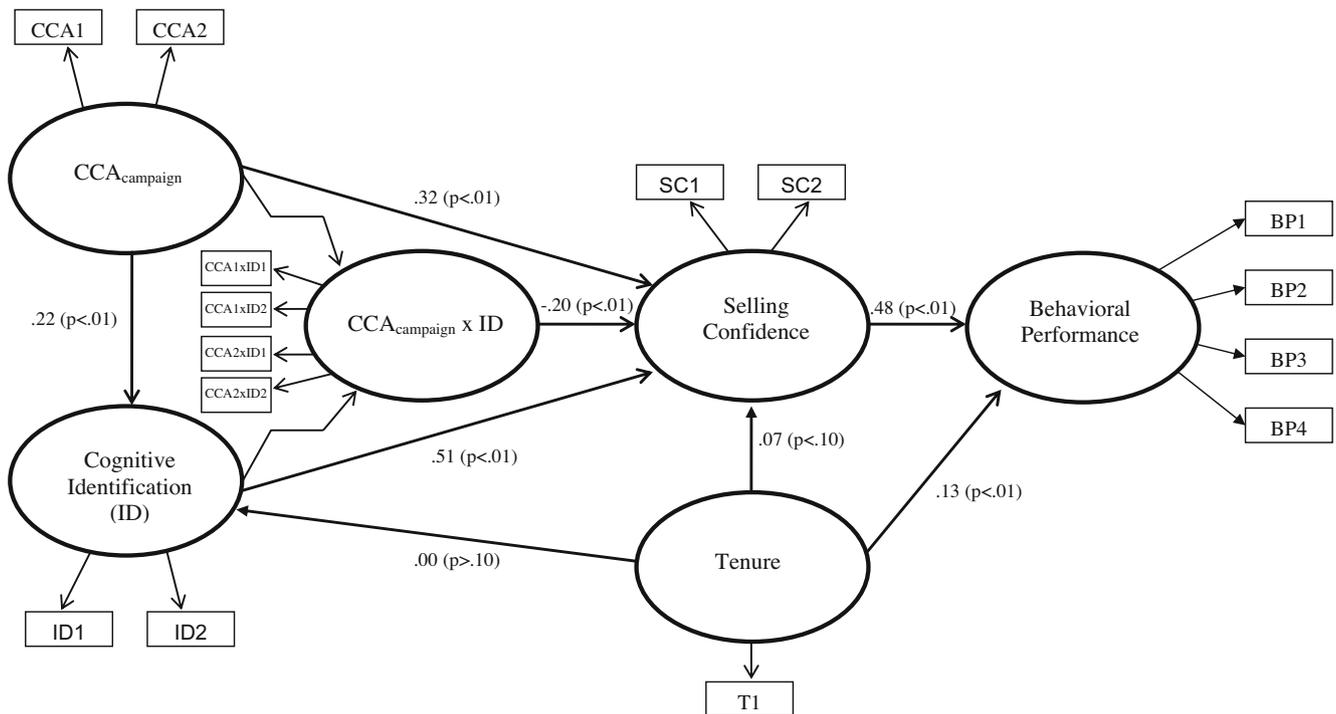


Figure 1 Empirical model with results. Probability values based on two-tailed significance test. $n=574$. Fit statistics: $\chi^2=215.35$, 90 df , $p<.01$; RMSEA=0.05; NNFI=0.97; CFI=0.97. R^2 selling confidence=48%; R^2 salesperson behavioral performance=26%.

of a firm’s cause-related marketing activities, we believe that such activities will also affect salesperson behavioral performance through their influence on selling confidence. Confidence drives people to initiate action, pursue it, and sustain persistence; as a result, they are more likely than their less confident counterparts to be successful performers (Stajkovic 2006). We define selling confidence as the sales representative’s “personal certainty belief” that s/he can handle selling for the company (Stajkovic 2006).

The firm’s involvement in a well-received cause-related campaign serves to make the firm more attractive to prospective customers and gives the salesperson a competitive edge. The firm’s customers who are positively disposed toward a firm’s cause-related campaign will more readily respond to the firm, the salesperson, and the firm’s product. As Bhattacharya et al. (1995) note, consumers may be loyal to a firm’s products because they identify with the causes that an organization embodies. Because customers are affected by a firm’s cause-related marketing efforts they will support the organization and, in doing so, improve individual sales representatives’ performance.

Based on the work of Lazarus (1991), individuals are expected to assess their personal and situational resources and then utilize these assessments when forming appraisals of confidence. Any factor within the work environment that communicates successful job performance to an employee is likely to contribute to selling confidence. Thus, we hypothesize the following:

H2 $CCA_{campaign}$ will have a positive influence on the salesperson’s selling confidence.

In addition, we expect that the representative’s cognitive identification also will exert a key influence on selling confidence. A main role of the salesperson is to represent the company to its customers. As a result, the extent to which the salesperson perceives an overlap between characteristics of the organization and him- or herself is likely to influence selling confidence. For example, if sales representatives feel that salient organizational characteristics do not represent their own, as company representatives, they will have less selling confidence. Assuming groups (e.g., corporations) are capable of influencing individual members, it is likely that an active relationship exists between the marketing representative and the firm. In other words, the member’s evaluation of the firm exists, adapts, and can influence the person’s self-confidence in selling the company’s products and services. When organizational members perceive their organization’s identity to be attractive (i.e., identification is stronger), it leads to a more positive evaluation of the self (Dutton et al. 1994).

H3 Salesperson identification will have a positive influence on the salesperson’s selling confidence.

Employee confidence level has been linked to increased job success (Srivistava and Sager 1999). Confidence

psychologically enables individuals to reach their potential, while doubt constrains them (Stajkovic 2006). Confident individuals are more likely to set higher goals, and persist rather than quit when trying to accomplish those goals (Bandura 1997). Consistent with this research, we argue that selling confidence will be positively correlated with individuals' behavioral performance.

H4 Salesperson selling confidence will have a positive influence on the salesperson's behavioral performance.

Moderating influences of identification with the company

We have proposed that higher levels of CCA_{campaign} result in enhanced selling confidence. It is not clear, however, that this effect is equivalent for all salespeople. We anticipate that CCA_{campaign} will have a more positive effect on the confidence of salespeople with lower levels of identification than on those with higher levels of identification. At lower levels of identification, salespeople are likely to rely on external motivators, such as CCA_{campaign} , to build confidence. This is less necessary at higher levels of identification; CCA_{campaign} adds little additional confidence beyond that which already exists as a result of identifying with the company.

In addition, a sales representative with a schema for the company that does not overlap with his/her own personal schema (i.e., identification is low) will likely experience significant cognitive dissonance; the company and the sales representative have little in common, yet the sales representative remains with the company. In this situation, the salesperson is likely to give increased attention to aspects that might lower the dissonance and/or serve as a source for motivation. When identification is high, there is little or no cognitive dissonance to be reduced and no corresponding psychological effort is prompted.

H5 The positive influence of salesperson CCA_{campaign} on the salesperson's selling confidence will be more positive when cognitive identification with the company is lower than when cognitive identification with the company is higher.

Control variable We include a measure of tenure with the organization in our analyses to account for the possible associations between tenure, identification, selling confidence, and behavioral performance. Prior research has supported a relationship between tenure and identification (Bhattacharya et al. 1995); we also expect that the longer salespeople are with a particular company, the higher their selling confidence and behavioral performance, based on learning and improved productivity. As a result of controlling for the effect of tenure, any obtained influence of selling confidence or identification on behavioral perfor-

mance must be more than simply a reflection of tenure with the organization.

Materials and methods

We tested our hypotheses in a field study using a sample of independent sales consultants working with a large direct selling firm engaged in a single cause-related marketing effort. The focal firm predominantly sells products for women and is represented almost exclusively by female sales consultants. The company's cause campaign involves donations to specific organizations dealing with a particular women's issue and is based on sales of designated products.

A systematic random sample ($n=2,200$) of sales representatives¹ from the focal company resulted in a total of 574 usable surveys, for an effective response rate of 26%. Ninety-eight percent (98%) of respondents were women; the median age category of respondents was 51–60 years, with 68% of respondents being 60 years or younger. These characteristics are consistent with population parameters. Nonresponse bias analyses revealed no significant differences ($p<0.05$) between early and late respondents on key model constructs and demographic variables.

Measures utilized in the study

We used two 11-point Likert-type items to assess CCA_{campaign} . Respondents were asked to indicate their level of agreement with the following two statements: (1) "My (company name) customers who are aware of the (campaign name) evaluate it very positively," and (2) "Prospective customers who are not aware of the (campaign name) would evaluate the (campaign name) very positively." The scale's composite reliability was 0.87.

Cognitive identification with the company was assessed using a measure reported by Bergami and Bagozzi (2000) consisting of (1) a visual measure that asks a respondent to indicate which of eight pairs of gradually overlapping circles represents the degree of overlap between his or her identity and the identity of the organization, and (2) a verbal item (i.e., "Please indicate to what degree your self-image overlaps with [company name]'s image") taken on an 11-point "not at all–very much" semantic differential scale. The scale's composite reliability was 0.80.

We measured *selling confidence* using two 11-point Likert-type items: (1) "I have a great deal of confidence

¹ To ensure that respondents were actively engaged with the company as a profession and not as a hobby, on the advice of corporate managers we required that a sales consultant had worked with the company for at least 3 years and had sales revenues of \$12,500 or more in the previous year.

when I sell for (company name),” and (2) “Representing (company name) gives me the security I need in selling situations.” Composite reliability for the scale was 0.81.

Behavioral performance was measured using a four item self-report measure that asked respondents to evaluate their performance as it relates to: (1) quantity of work performed, (2) customer relations management, (3) product, company, competitor and customer knowledge, and (4) time management, expense management and planning ability. The items were anchored by 11-point “greatly below average–greatly above average” scale endpoints. The scale’s composite reliability was 0.85.

Tenure, a control variable, was measured by asking respondents to indicate how many years s/he had been a sales representative with the focal organization.

Analysis and results²

Analytical procedures

The analyses were performed using structural equation modeling (SEM) via LISREL 8.72. A robust maximum likelihood (R-ML) estimator was employed to account for data non-normality. The latent variable interaction was tested using Ping’s (1996) two-step approach.

Results

Measurement model The measurement model fits the data well (Satorra–Bentler $\chi^2=52.66$ ($p<0.05$), 35 *df*; RMSEA=0.03; NNFI=0.99; CFI=0.99). In addition, the measures conform to widely-accepted reliability, convergent validity, and discriminant validity standards.

Structural model and hypothesis tests The proposed structural model provides a very good fit to the data (Satorra–Bentler $\chi^2=215.35$, 90 *df*, $p<0.01$; RMSEA=0.05; NNFI=0.97; CFI=0.97). The model accounts for 48% of the variance in salesperson selling confidence and 26% of the variance in salesperson behavioral performance. Furthermore, as is summarized in Fig. 1, all of the hypothesized paths were statistically significant and supportive of expectations. Finally, a simple effects analysis suggests that the interaction between CCA_{campaign} and identification in prediction of selling confidence is as expected: the association between CCA_{campaign} and selling

confidence is stronger for employees who are low on identification with the company and weaker for employees who report high levels of identification with the company.

Extension and post-hoc analyses Several additional SEM models were specified and tested to determine whether: (1) common methods variance influenced our results, (2) the effects of the exogenous variables are fully mediated through selling confidence, (3) the data are consistent with the causal flow (i.e. direction of influence) specified in our model, and (4) the pattern of results obtained is contingent upon salesperson tenure. The results of our analyses revealed that: (1) common methods variance was not a problem in our study, (2) the effect of CCA_{campaign} on behavioral performance is only partially mediated through selling confidence, (3) the data support our modeling of CCA_{campaign} as antecedent to cognitive identification and selling confidence, and (4) the pattern of results is the same across salesperson sub-groups created on the basis of tenure (i.e. the results are the same across high and low tenure sub-groups).

Discussion

A company’s CSR-related activities are likely to affect its internal constituencies. We proposed that sales representatives’ construed customer attitude toward the cause-related marketing program (i.e., CCA_{campaign}) influence their identification, their selling confidence, and, ultimately, their behavioral performance. Our data offer strong support for these ideas and lay out processes through which CCA_{campaign} influences occur.

Our results also revealed that marketing representatives who report lower cognitive identification with the company especially benefit—in terms of enhanced selling confidence—from a positively viewed cause-related marketing campaign. When identification with the company was low, increases in CCA_{campaign} were associated with significantly stronger increases in selling confidence. These results offer implications for both managers and researchers.

Managerial implications

Marketing managers need to recognize that CSR activities have multiple audiences and that these audiences should be taken into account in designing such programs. In the current context, a cause campaign designed to appeal to potential customers was shown to have an important influence on direct selling representatives. Internal marketing may be important for communicating the likely external effects of such campaigns (e.g., customers will be more receptive to selling behaviors) to sales representatives and other organizational insiders.

² Due to space constraints, extensive details regarding analyses and results cannot be offered. However, reviewers were able to evaluate the full set of analyses as part of the review process. Further details about the analyses can be obtained from the authors upon request.

Sales managers should be encouraged by the finding that CCA_{campaign} has a stronger effect on selling confidence for sales representatives with lower levels of cognitive identification. If not motivated by a sense of shared identity with the organization, perhaps effective cause marketing efforts can provide a degree of motivation. In addition, as CCA_{campaign} increases, cognitive identification increases as well, so all sales representatives may benefit from the presence of cause marketing.

Theoretical contributions

Although the employee morale-boosting potential of CSR activities has been recognized in the literature for some time (e.g., Drumwright 1996), we deepen the CSR literature by developing and testing a model that depicts two specific mediational paths through which salespersons' CCA_{campaign} influence their behavioral performance with respect to selling: (1) $CCA_{\text{campaign}} \rightarrow$ selling confidence \rightarrow behavioral performance, and (2) $CCA_{\text{campaign}} \rightarrow$ cognitive identification \rightarrow selling confidence \rightarrow behavioral performance. In addition, we identify and confirm a key moderating condition (i.e., the degree of cognitive identification with the company) on the influence of CCA_{campaign} on selling confidence, an influence consistent with theoretical predictions.

Our research also adds to the sales literature by introducing two variables (i.e., CCA_{campaign} ; cognitive identification) that directly influence selling confidence, a key determinant of selling performance and success.

Limitations and directions for further research

One limitation of our study is that we investigated only a single company with a predominately female sales force from a single industry. Although this approach likely enhanced the internal validity of our findings by controlling for cross-company and cross-industry confounds, it limits generalization. Further research might replicate our findings across companies, industries, sales force composition, and selling contexts.

Although the findings from our tests of causal flow from CCA_{campaign} to other variables were consistent with our predictions (i.e., CCA_{campaign} as antecedent), we note that our data were cross-sectional. Future researchers might investigate the potential reciprocal relationships across time of the constructs in our model. Such research might also examine the longer-term effects of cause marketing programs on internal audiences.

It would be enlightening to determine the effects of CCA_{campaign} and identification on important outcomes for those who are new to an organization; we intentionally did not include new sales consultants in our sample. Also, our response rate (i.e., 26%) does not allow us to rule out the potential effects of nonresponse bias in our sample, although

the results of nonresponse bias tests suggest that this form of error is unlikely to have affected our results substantively.

Future research might also address the determinants of CCA_{campaign} . Our research demonstrates the influence of CCA_{campaign} on an important sales force outcome, but does not consider the factors that may drive these perceptions of how others see the campaign. In addition, future research might also include variables beyond CCA_{campaign} that influence cognitive identification. Finally, it might also consider the degree to which the sales force is similar to or identifies with customers and the resulting influence on variables in our model.

Research has begun to establish the role of cause-related marketing as a viable strategic marketing tool for organizations. Our research suggests that the benefits of cause marketing are not only driven by consumer response but also are observed with internal stakeholders. In particular, we demonstrate that CCA_{campaign} influences behavioral performance through the representative's identification with the company and selling confidence and that these effects are more pronounced for salespeople with lower levels of cognitive identification.

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