Think Pink:

Consumer Knowledge & Cause-Based Marketing

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**I. Introduction**

As NFL players ran on to the field in October of 2013, their pink socks, cleats and gloves were noticeable even from the furthest seats. The National Football League was working to bring awareness to Breast Cancer in a campaign the company termed “A Crucial Catch” (Gaines). Many companies and organizations run similar campaigns do in the month of October, which is National Breast Cancer awareness month. The NFL’s was intended to raise awareness for the need of mammograms in women under the over $40. In addition to the on-the-field promotion, the NFL sold breast cancer pink apparel and team jerseys, and gave fans the opportunity to donate money to the American Cancer Society through text messages. The organization promised that a portion of the proceeds from all apparel and products would go to the American Cancer Society.

However, after looking closely at the numbers, more and more observers became suspicious. Once doing the math, only about 12% of the proceeds went to the American Cancer Society, the beneficiary. Out of that, only 71.2% went towards research and cancer programs (Gaines). Breast Cancer Awareness Month has been existence since 1985, with the pink ribbon and the Breast Cancer Foundation in existence since 1993. Thousands of companies partner with Breast Cancer charities every year, which includes everyone from Starbucks to Chevron to the average local restaurant (Elliott).

However, as this industry continues to grow, more people are beginning to seriously consider the ethics of companies raising money for charities while still selling their products. This paper will investigate the ethical issues behind cause-based marketing, with a special focus and case study on Breast Cancer Awareness and Breast Cancer Awareness Month and it’s corporate partnerships, and how they reflect in Potter’s model of ethical decision-making. Through this ethical break down, it is recommended that this programs need to be further questioned, but in the least, significant changes do need to be made to make them ethically sound.

Cause-based marketing, or cause-related marketing, or even “charitainment” (a combination of charity and entertainment) is when a company partners with a charitable organization to promote awareness, but also to sell products that promote and raise money for the charity (Elliot). This type of cause-based or cause-related marketing is increasingly common in the United States, and has been a common practice since 1984, when American Express created a campaign to raise money and awareness for the Statue of Liberty renovation (Grau and Folse 18-21). Since, participation by corporations in such activities has increased every year, as well as consumer demand. Wendy Liebmann, chief executive at WSL Strategic Roll, a consulting company, states in an article for the New York Times that support by companies and corporations for charitable organizations is the eighth reason on a list of ten when consumers rank their favorite store (Elliot). This is an especially relevant issue in today’s consumerist economy.

Breast cancer awareness, initially lead by the Susan G. Komen foundation, has famously raised over $2.2 billion for research and awareness since 1982. October has been designated as Breast Cancer Awareness Month, but also “Pinktober” by some of its critics (Singer). In this month, corporate sponsors participate in cause-based marketing to promote breast cancer, and raise money for foundations such as the Susan G. Komen Foundation. Now, the organization raises a great deal of money through partnerships with corporations. Over the years, this has become one of the largest instances of cause-based marketing (King i-x), which is why it serves as the case study for this paper.

**II. Literature Review**

There has been much written on the subject of cause-based marketing both in scholarly works, the current media, and in business and industry publications. For the most part, scholarly works question and criticize these practices, while at the same time show the numerous benefits that corporate cause-based marketing generates for corporations. Industry and public relations publications focus more on how to best leverage these types of relationships for the maximum profit and goodwill. Current media of the past few years has become increasingly critical of these types of relationships, and is especially critical of Breast Cancer Awareness month and “pinkwashing” (McCarthy).

Consumers are more likely to purchase from a company that they believe is socially responsible. They are even more likely to make a purchase if they believe that the corporation is closely tied to the cause, as shoppers believe that a company is more genuine in its sponsorship (Grau and Folse 18-21). Companies benefit more from this relationship when they are closely tied to the cause. However, charitable organizations also benefit. Not only do they gain more funds and awareness, but they reach consumers who know little about the cause, and have the possibility to gain real, long-term volunteers and donators (Vanhamme, Lindgreen, Reast, and van Popering 259-274).

There is a great deal of thought within the business and public relations community about how to best leverage corporate relationships with charitable organizations. For example, a recent article in *PR Week* outlines four ways to respond against backlash against these relationships, especially with breast cancer awareness (DaSilva). This article follows many of the recommendations mentioned from the scholarly works. It is recommended that corporations “create credible alignments”, add stories and narratives to generate the appearance of authenticity, be transparent about the amount of money and where it is going, and continue to work with shoppers after they have made a purchase. Essentially, the literature and studies focus on how companies need to assure shoppers of the company’s authenticity and devotion to a cause.

Current American culture is particularly receptive to cause-based marketing according to both scholarly works and modern media. According to the “2013 Cone Communications Social Impact Study”, only 29% of consumers believe that corporations have no responsibility to support environmental or social issues. 91% want “to see more products, services and retailers support worthy issues”, which is up eight percent from 2010 (("2013 Cone Communications Social Impact Study: The Next Cause Evolution" 2-15). 25% of consumers surveyed believe that “Businesses should not only support but advocate for change in larger social or environmental issues by increasing awareness of the issue and donating products or services, money or volunteering ("2013 Cone Communications Social Impact Study: The Next Cause Evolution" 7). However, critics and scholars alike express concern that consumers will purchase products instead of actual donation of time and money. Only more savvy consumers understand that typically only a little profit from purchases is donated to charity, and what cause the purchase of a product actually supports (Dadush 1289-1301).

There has been increased media criticism of cause-based marketing in the past couple of years, especially specifically of Breast Cancer Awareness and the Susan G. Komen foundation. Some critics have derisively termed the phenomenon “pink-washing” or “pinktober”. This could be for a few reasons, as it is by far one of the most prominent cause-based marketing campaigns, with thousands of companies participating (Singer). It also is often related to the controversies surrounding the Susan G. Komen foundation. The foundation, the main proponent of Breast Cancer Awareness month, has been criticized for cutting off funding to Planned Parenthood, sexualizing women’s bodies, high CEO salaries, and for misusing funds (McCarthy).

However, a great deal of criticism is leveraged at company marketing campaigns that promote breast cancer awareness. Barbara Ehrenreich, a breast cancer survivor, wrote a well-known article for *Harper’s Magazine* about her feelings as a survivor in regards to this specific marketing; she asserts in her essay that the feminization and ‘cuteness’ created by breast cancer awareness is what appeals so much to companies; “Breast cancer would hardly be the darling of corporate America if its complexion changed from Pink to Green” (Ehrenreich). Ehrenreich goes further to say that breast cancer is a ‘popular cause’ only because it is seemingly uncontroversial, unlike other causes like environmentalism. A charitable organization, Breast Cancer Action, has devoted a great deal of its resources to raising awareness against the problems associated with “pink washing” ("Before You Buy Pink"). They focus on similar issues concerning the ethics of this type of marketing, and some of the certain ‘hypocrisies’ surrounding the marketing of breast cancer awareness. These hypocrisies are numerous. For example, some products that have been sold to raise awareness have components that actually have been proven to contribute to breast cancer, like specific chemicals or hormones (McCarthy). Or for another example, companies that raise the money are often vague or unclear about the portion donated, or lead consumers to believe that a portion of the proceeds will go to the cause when the company itself just made a donation (Gaines) (McCarthy) ("Before You Buy Pink").

The issues and controversies surrounding Breast Cancer Awareness in recent years has had little impact on the actual amount of cause related marketing surrounding this issue. That is why it is important to investigate the ethical issues surrounding Breast Cancer Awareness cause-based marketing from an analytical ethics-based standpoint.

**IV. Analysis**

After seeing the press and controversies surrounding breast cancer awareness, is it ethical for a company to start or continue a cause-based marketing campaign for breast cancer awareness, especially considering current common practices? Using Potter’s model for ethical decision-making, which involves comparison of values, evaluation of principles, and assessments of loyalties, this paper will examine the ethics surrounding the continued cause-based marketing of breast cancer awareness by companies across the United States (Patterson and Wilkins 86-90).

Following Potter’s model of ethical decision-making, the question and facts need to be examined. Is it ethical for companies to continue to use cause-based marketing campaigns for breast cancer awareness? Thousands of corporations have the ability to raise money for breast cancer awareness. These corporations can offer to donate proceeds from selling products, or donate a lump sum. They can also raise awareness by making certain products breast-cancer-awareness themed, such as with pink decorations, or simply affixing pink ribbons to packaging. This money they raise then goes to breast cancer awareness. Typically, this money goes to the Susan G. Komen Foundation or the American Cancer Association or other ‘pink’ causes (Singer).

First, we assess corporations various values, with a focus on honesty, public goodwill, charity, and profit. From a company’s perspective honesty and the perception of honesty is important for the public image. However, companies are not necessarily upfront about where the money raised goes. For example, take a look at the recent example mentioned in the introduction. The NFL promised to donate a portion of the proceeds from the apparel and products created for Breast Cancer Awareness Month. According to the NFL, 90% of royalties from the wholesale price are donated to the American Cancer Society. However, according to analysis done by *Business Insider,* this only amounts to 8.1% of money spent on the merchandise goes to cancer research. 50% of the profit, according to the NFL, goes to the retailer to recoup costs. However, the most common places to purchase this merchandise is at the NFL’s stores; which are online, in stadiums, or in stores, which means the NFL is the retailer (Gaines). Essentially, the NFL kept more of the money from the products then they lead consumers to believe.

In addition, companies mislead consumers in other ways. For example, Dankso Clogs created breast cancer awareness pink clogs in 2010. Consumers were lead to believe that by purchasing these shoes, proceeds would go to the cause. However, Dansko made a one-time contribution to the Susan G. Komen Foundation, so no matter how much of the product was purchased, no more money would go to the foundation ("Before You Buy Pink"). Similarly, companies do not have to indicate if there is a cap on proceeds to be donated. Also in 2010, Reebok created a line of pink-themed sneakers and marketed that a portion of proceeds would go to the Avon Breast Cancer Crusade. However, they limited their donations to $750,000, and did not let shoppers know when the limit was hit (("Before You Buy Pink"). Reebok benefited from profits as certain people most likely went out of their way to purchase the specific product believing that money would go to the charity, as opposed to all of the money being kept by Reebok. These practices by corporations are not uncommon.

Many studies have proven the value of public goodwill towards companies, and how charitable involvement by companies is an excellent way to do so. The Cone Communications study that was previously discussed illustrated such importance. 89% of consumers would be very likely to switch from a brand if the other brand was positively associated with a good cause. This is up from only 66% in 1993 ("2013 Cone Communications Social Impact Study: The Next Cause Evolution"). Consumers have stronger brand recognition (and brand recognition that tends to be more positive) after participating a cause based marketing campaign (Eikenberry 299-301). However, according to the 2012 Cone Communications breast Cancer Trend Tracker, only 52 percent of American consumers believe their purchases that were a part of breast cancer campaign make a difference. Furthermore, “77 percent of consumers think some companies support the breast cancer cause solely for corporate gain” ("Consumers Question Intent and Impact of Breast Cancer Cause Marketing"). So though corporations may desire and value public goodwill, they will not necessarily receive positive public opinion.

However, it cannot be assumed that corporations completely selfishly participating in corporate philanthropy or cause-based marketing. For example, Ford Motor Company has kept the same campaign for breast cancer awareness for the past 19 years, “Warriors in Pink”. They have maintained their role, even after being hit hard by economic woes (Elliott). No matter the intentions, this does give the appearance of authenticity. Even *PR Week* recommends that the most effective charitable actions by a company are those that are approached genuinely (DaSilva). Of course, the more genuine a company is or the more genuine they appear to be, the more successful their cause-based marketing will be.

This leads to another value, profit. As discussed, customers value their companies’ participation in charity and cause-based marketing. It is obviously more profitable for companies to give the appearance of charitable giving. However, according to various studies, it is important for corporations to go beyond donations and proceeds in order to entice customers into purchasing a breast cancer awareness product. It is important to create things like networks or support of volunteers ("Consumers Question Intent and Impact of Breast Cancer Cause Marketing"). Furthermore, consumers are more cynical, and are suspicious of companies that have come to the breast cancer cause later, and have little connection with the cause. In a article for *PR Week*, DaSilva criticizes the NFL’s breast cancer awareness for those reasons:

One of the most egregious examples of pinkwashing can be found by watching the National Football League during the month of October when football fields, player's gear, and even penalty flags turn pink. The campaign has found itself in hot water due to the apparent disconnect between the cause and the organization,leaving people to wonder if the NFL could have selected a cause more appropriate to its fan base. The campaign also lacks a meaningful call to action beyond raising awareness, making it unclear what sort of impact the effort is making. (DaSilva)

Though profit may be a value that companies carry, Breast Cancer may not be as profitable as other causes.

After examining the values, this paper will examine an applicable philosophical principle. Kant’s Categorical imperative states that one must make decisions by considering what would happen if actions were adopted as a universal principle. Essentially, if everyone acted in the same, what would the consequences be? (Patterson and Wilkins 9-10). Of course, money being generated for charities is a good thing, and the more people who do so, the better. However, in the case of Breast Cancer Awareness, this is a double-edged sword. As discussed, consumers are becoming increasingly suspicious of breast cancer-related cause-based marketing. However, as consumers become more inundated with pink ribbons and pink products, many advocacy groups believe that they are loosing their intended effect for awareness, which Samantha King outlines in her book, *Pink Ribbons, Inc*: *Breast Cancer and the Politics of Philanthropy* (King 85-90). After all, how effective is a pink ribbon in reminding women to get a mammogram if they are so commonplace? More so, the more consumers see things like pink ribbons constantly, the more likely they are to believe that that such a cause that gains so much attention needs more fiscal or volunteer support. According to Angela Eikenberry’s case study on cause-based marketing, consumers “were not asked to make a sacrifice for the cause beyond spending money on something that would also benefit them” (Eikenberry 301). This problem is further compounded when considering that consumers are often unaware of how their money is spent, so they may believe that their purchase is helping breast cancer causes even more than they think.

Sarah Dadush also discusses this problem of ‘false’ charity. As more and more private companies set up programs and donate money to causes, she argues “that advertising private solutions to public problems might result in a divestment of responsibility from and by States” (Dadush 1305). She explains that this could happen for a couple reasons, one being that consumers could see all of these campaigns, and believe that government assistance is not as necessary to assist in the solution, and even believe that it is better for private companies to attempt to solve these problems (Dadush 1304-1306). And again, consumers may be lead to believe this because companies are unclear about how that money is spent. Americans can already observe what would occur if more and more people practice cause-based marketing, especially with breast cancer awareness.

Finally, it is necessary to look at the loyalties companies have when practicing breast cancer awareness cause-based marketing. Companies participating in such marketing have competing loyalties; employees, stakeholders, the charitable organizations, customers, and breast cancer victims and their families. Employees and stakeholders obviously are critical to a profitable company, and profits are a way to ensure their happiness. Cause-based marketing, and that surrounding breast cancer awareness, is a way to increase profits. The charitable organizations obviously benefit from increased funds and awareness through cause-based marketing. Customers get the benefit of buying a product that helps a cause. Breast cancer victims and their families are more complex of a loyalty. On one hand, awareness and more funds for research and programs can benefit these people. On the other hand, Barbara Ehrenreich wrote this about her experience with breast cancer awareness and its corporate sponsors, “the breast-cancer cult serves as an accomplice in global poisoning—normalizing cancer, prettying it up, even presenting it, perversely, as a positive and enviable experience” (Ehrenreich 53). She argues that the causes cheapen breast cancer, and even harm breast cancer patients who cannot be genuine in their emotions (Ehrenreich 52-55). These competing loyalties will impact a company’s discussion when deciding whether to continue or adopt breast cancer awareness cause-based marketing.

**IV. Recommendation**

Within Potter’s model, we come back to the beginning to considering loyalties within the facts (Patterson and Wilkins 86-90). The problem, whether corporations should practice breast cancer awareness cause-based marketing, is simple. However, after considering the competing values, and loyalties, it is harder to tell what does more harm or good. In order to maximize good from these programs and minimize harm, corporations need to take a few steps. First, as Dadush argues, transparency is critical. It allows the assessment of effectiveness but also maintains public trust (Dadush 1313-1315). With transparency, consumers would ideally better understand if they are actually helping a cause, but also if others would help that cause. Furthermore, companies need to remove the ‘pink’ from their breast cancer marketing. By taking the pink-marketing away from the cause, consumers would ideally think more critically about how their money will be spent (for example, towards what facet of the breast cancer awareness cause), but also will consider think about the public issue outside of the privatized sphere that is so large in the month of October.

**V. Conclusion**

As discussed, cause-based marketing is becoming an increasingly popular choice for both corporations and consumers. Since it is unlikely to disappear, especially in the large arena of Breast Cancer Awareness, it is important to make changes to the practice in order to make it more ethical, and to respect more of corporations’ and consumer values.

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