The effectiveness of online Cause-Related Marketing message framing on hotel brand evaluation

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Abstract

The purpose of this study is to examine the interaction effect between online Cause-Related Marketing (CRM) ad and brand reputation on consumers’ brand evaluation in the hotel industry, and to show how this relationship can be explained by consumer-related factors, including process fluency, social cause attitude, and perceived fit. To test the proposed research model, two controlled experimental studies will be conducted, which include a survey with 2x2 between-subjects factorial design and laboratory experiments using psychophysiological measurements of automatic emotional reactions via biosensors.

1. Problem Definition

Corporate Social Responsibility (CSR) has become an important focus of attention among companies as a tool for generating goodwill among customers (Chernev & Blair, 2015). A strategically well-planned CSR initiative attracts consumers, forms positive brand image and eventually improves a company’s reputation (Du et al., 2010). CRM, which directly links sales to supporting of a charity (Barone et al., 2007), is one of the effective tools for implementing strategic CSR initiatives. Companies applying CRM donate a certain amount of their revenues to a non-profit organization or a social cause when customers purchase certain products and services (Nan & Heo, 2007). As focusing on social responsibility has become a trend in the hospitality and tourism industry, the hotel industry is no exception, especially with regards to environmental-related issues (Shang et al., 2010). This is because, when consumers make purchasing decisions, they are influenced not merely by tangible attributes such as price and quality, but also by intangible characteristics, such as brand image, or corporate reputation (Cretu & Brodie, 2007). Indeed, finding ways to effectively communicate CRM in order to enhance consumers’ positive responses and to support brand reputation should be considered a very important issue (Kim et al., 2012). Prior research suggests that emphasizing a company’s ulterior motives to maximize profit in marketing communication may backfire on the company (Jo & Na, 2012). However, little research has been done to elucidate the dynamic relationship between advertising message framing, brand reputation, and brand evaluation to minimize the possible negative effects of CRM communication. Therefore, this research aims to investigate the effectiveness of different types of message appeals of social causes, especially in online charity advertising by hotels. To emphasize the importance of communicating CRM campaigns, the current study introduces three consumer-related factors that influence the effect of CRM ad on customers’ brand evaluation. These include: subjective experience of the ease with which people process information (processing fluency); consumers’ attitude toward helping others and social cause organisations (social cause attitude); and the level of perceived fit between the company and the cause (perceived fit). Specifically, this research will achieve the following objectives:

- Examine whether brand reputation has a moderating role in the relationship between advertising message framing and consumers’ brand evaluation in the context of CRM campaigns in the hotel industry.
• Examine consumer-related factors that help explain the interaction effects between message framing and brand reputation.

2. Literature Review

2.1 Message Framing in CRM Advertising

Advertising has long been used as a communication tool to tackle social problems, affecting directly consumers’ evaluations of a brand (Chattopadhyay & Basu, 1990). Advertising messages in CRM are constructed to highlight a charity incentive with the product taking a lesser role in the advertising copy (Lafferty & Edmondson, 2009). Consumers view two purposes for CRM messages: social motivation (i.e., to raise awareness of the cause) and profit motivation (i.e., to increase sales) (Ham & Choi, 2012). Via CRM messages, consumers can be swayed to participate in socially responsible behaviour by donating to charity since they are usually persuaded more by altruistic social motives (Kim et al., 2012). However, sometimes the benefits of CRM arouse suspicion to consumers, because CRM ad likely reveals that the company is more interested in their profit motives than social motives (Forehand & Grier, 2003). This study relies on regulatory focus theory (RFT). As an underlying form of motivation when people pursue their goals, RFT tries to distinguish between goals with two basic motivational orientations: promotion-focus (i.e., the desire to make good things happen or to achieve positive outcomes) or prevention-focus (i.e., the desire to keep bad things from happening and to avoid negative outcomes) (Higgins, Shah, & Friedman, 1997). In advertising persuasion research, RFT has been widely used as a theoretical framework called “regulatory focus framing” (Baek & Reid, 2013). Advertising message can be framed either positively, by highlighting the desired outcomes that can be attained, or negatively, by highlighting the undesired outcomes that can be avoided by using the advertised product (Kulkarni & Yuan, 2015). While promotion-framed messages communicate that emphasize the potential gains to consumers in a situation, prevention-framed messages communicate that point out the potential losses to consumers in a situation.

2.2 The Moderating Role of Brand Reputation

General marketing communication research shows that consumers’ pre-evaluations of a brand affect communication effectiveness (Dahlén & Lange 2005). Companies with poor reputations may experience their social initiatives backfiring (Yoon et al., 2006), whereas companies with good reputations are more likely to succeed with CSR communication (Du et al., 2010). As with CRM, this can be explained by the attribution of more self-serving motives when a company has a poor reputation, because consumers are suspicious of a company’s involvement in social cause and view the initiative as a tactic for improving the company’s reputation (Skard & Thorbjørnsen, 2014).

3. Conceptual Development

One factor in CRM success is prior brand experience (Christofi et al., 2015). A favourable social responsibility image reflects brand associations that tend to have a positive effect on consumer brand/product attitudes (Sen & Bhattacharya, 2001). Existing brand social responsibility images elicit a positive influence on consumer responses to a brand’s marketing programme in different contexts, in such forms as consumer donations to non-profit organizations (Lichtenstein et al., 2004). Thus, the
image of existing brand social responsibility positively relates to consumers’ intention to purchase a CRM sponsor brand (He et al., 2016), and prior brand experience has a greater impact on positive outcomes related to CRM success (Christofi et al., 2015).

H1: There is an interaction effect between message framing (promotion-framed message vs. prevention-framed message) and brand reputation (good vs. bad) on customers’ brand evaluation.

3.1 Processing Fluency

Processing fluency plays an important role in human judgment and decision-making (Zhang, 2014). Prior studies indicate that when individuals are processing advertising messages, an unpleasant experience of processing disfluency results in less favourable attitudes toward the message (Lee & Aaker, 2004). The disfluency caused by inconsistency between a brand concept and CSR activities could lead to unfavourable brand evaluation (Torelli et al., 2011). On the other hand, if processing fluency is misattributed to the brand being popular or a well-established, it could lead the consumer astray (Yoon et al., 2009).

H2: Processing fluency mediates the interaction effect postulated in H1.

3.2 Social Cause Attitude

Social cause attitude refers to consumers’ overall judgment of the CRM campaign itself and overall attitudes toward perceived responsibilities to address social cause issues (Skard & Thorbjørnsen, 2014), which is a predictor of higher-level brand responses. If an individual feels a responsibility to help others and has a favourable opinion about charitable organizations, they are more likely to support philanthropic initiatives (Sciulli et al., 2017). Further, learning that a brand sponsoring a good cause will likely influence consumers’ brand evaluation.

H3: Social cause attitude mediates the interactive effect postulated in H1.

3.3 Perceived Fit

The CRM literatures demonstrating the positive effect of company-cause fit on relevant marketing outcomes have confirmed that marketing communication can positively affect perceived fit (Simmons & Becker-Olsen 2006). Furthermore, a company’s reputation positively influences perceived fit between a company and a cause. Based on this, consumers’ brand schema will be more congruent with a social cause when it involves a brand with a high reputation rather than one with a low reputation (Skard & Thorbjørnsen, 2014).

H4: Perceived fit mediates the interactive effect postulated in H1.

Fig 1 illustrates these relationships and proposed conceptual framework of this research.

Fig. 1. Conceptual framework
4. Proposed Methodology

To address the research aims, two experimental studies will be employed. Study I will examine the interaction effects of CRM message framing and consumers brand reputation on brand evaluation, as well as examining three key mediators (processing fluency, social cause attitude, and perceived fit) to explain the interaction effect. As emotional arousal or engagement with ad has been proven to be an effective tool for social initiatives (Bennett, 2015), Study II will test the psychophysiological measurements of automatic emotional reactions to ad collected using biosensor equipment, which will be used to complement the findings of Study I.

4.1 Study I

A 2 (message framing: promotion-framed vs. prevention-framed) x 2 (brand reputation: good vs. bad) between-subjects factorial design will be used to test the hypotheses. The experiment will be executed online, including UK-based 250 participants from an internet customer panel service. Participants will be asked to evaluate the brand’s reputation. Two conditions for reputation will be manipulated by a short introduction to a fictitious hotel, which discloses information about social responsibility. Then, the participants will be randomly exposed to one of the ad messages. The ad will describe the fictitious hotel’s CRM campaigns and will ask participants to purchase the promoted room. To manipulate the message types, two versions of a website advertisement advocating the world’s water crisis will be designed, highlighting ideas about attaining positive outcomes or avoiding the negative outcomes, respectively. Pre-test will be conducted to identify two levels of message framings and brand reputations. To test H1-H4, a two-way ANOVA will confirm that there will be an interaction effect between message and reputation on processing fluency, social cause attitude, perceived fit, and overall brand evaluation. To further test H2-H4, this study will employ the Preacher and Hayes’s (2004, 2008) INDIRECT macro for SPSS.

4.2 Study II

Study II will be conducted in a laboratory utilizing biosensor equipment: Tobii X2-30 eye tracker, Shimmer3 GSR+ (galvanic skin response and optical pulse sensor), and Affectiva AFFDEX facial coding system, which are useful to assess the attention and emotional states of the respondents. Participants fitted with biosensors will be invited to the study through personal communication in a professional networking setting. The data collection and analysis will be facilitated by iMotions biometric research platform for real-time synchronisation of all complementary sensors. The study will involve approximately 30 UK-based respondents who did not participate in Study I. This study will use the same stimuli and randomization procedure as in Study I.

5. Anticipated Results

Firstly, this study will fill the gap in the literature by providing a better understanding of the underlying relationship between CRM message framings, and consumers’ brand reputation. It is thereby contributing to knowledge on how companies can mitigate the potential negative implications of CRM by choosing the right communication contents. Secondly, this study will offer marketers relatively actionable implications for controlling advertising environments to enhance the effectiveness of message framing. By minimizing consumers’ scepticism towards a company’s true motive in their pro-social activities, the company can boost the credibility of their CRM campaigns. Future studies should extend the current study by not only testing other countries that differ.
with respect to cultural differences, but also using other channels (agency’s website or SNS) to identify the differences between message sources.

References


