



DEPARTMENT OF BUSINESS AND MANAGEMENT

BEHAVIORAL ECONOMICS AND CONSUMER DECISION MAKING

**Shopping for goodness: A cross-cultural
research on cause-related marketing and
consumer preference**

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1 Introduction

In one of Italy's most recent scandals, top influencer Chiara Ferragni faced a one million euro fine for claiming sales of a "designer" pink pandoro would help fund a children's hospital. The debate surrounding her charity money will not be discussed in the scope of this paper, but the incident drew attention to the topic of cause-related marketing (CRM). In recent years, the merging of societal impact with business goals has positively created a win-win-win scenario. Charities often lack marketing funds, so partnerships with brands can help spread their mission and increase donor support (Nowak & Clarke, 2003; Docherty & Hibbert, 2003). Businesses, in turn, benefit by showcasing social responsibility and attracting customers. For consumers, research indicates that happiness and self-satisfaction are boosted when their purchases contribute to helping others (Nowak & Clarke, 2003; Chaabane & Parguel, 2016).

The essence of cause-related marketing lies in its potential to not only elevate brand image but also contribute to the betterment of society. Joining forces with LGBTQ+ charity Mermaids, Starbucks launched the impactful #whatsyourname campaign, raising funds through the sales of a cookie line, which was so successful it earned 99% positive sentiment media coverage and several advertising awards (Iris, 2020). Many other campaigns were successfully adopted and became long-term CSR practices, for example Walgreen - Red Nose Day 10-year partnership or Apple's support of HIV/AIDS treatment through Product(RED) in 17 years.

In the growing wave of interdependent economies, marketers can leverage CRM as a mighty tool to enter new markets and create a positive impression from the outset. It requires a cultural assessment of strategies within global markets (Cleveland and Laroche, 2007, Laroche, 2007). Evidently, not all CRM campaigns are guaranteed with success, for

instance Ferragni's Christmas cakes brought the producer no profit but only lawsuits and public's anger. The effectiveness of a CRM campaign requires the managerial board to carefully evaluate how to communicate the message, which type of cause is relevant, and who to target as the primary audience. The question therefore arises for multinational businesses in appealing to new markets with relevant and effective CRM campaigns.

Despite an increasing interest in the last 30 years, CRM is less explored in published journal articles compared to other marketing topics (Bhatti et al., 2022; Vrontis et al., 2020). Academic consensus highlights the connection between public and private sectors in CRM, linking corporate donations to customer behavior. Recognized as a practical business tool, CRM is associated with enhanced sales performance, corporate reputation, and a potential sustainable competitive advantage (Larson et al., 2008; Liu, 2013; Duarte and Silva, 2018). Numerous papers investigated the factors and interaction between CRM and brand image, especially how the congruence between brand and cause can positively affect the consumers (Guerreiro et al., 2015).

However, conflicting results regarding factors affecting campaign effectiveness, such as cultural orientation, persist in the literature (Fan et al., 2019; La Ferle et al., 2013; Choi et al., 2016). While CRM research has traditionally been prominent in North America and Europe, recent years have witnessed increasing contributions from Asian academics, particularly Indian and Taiwanese scholars (Chang, 2011; Thomas & Kureshi, 2017). Despite some cross-country comparisons, the literature on CRM in developing countries remains limited compared to developed economies, prompting a call for more cross-cultural studies to understand customer preferences in the context of globalization (Bhatti et al., 2022; Vrontis et al., 2020).

In order to address the current literature gap, this research suggests a cross-cultural perspective to answer those questions and consequently align the right cause to the right segment of customers. The first aim is to explore the differences in consumer preferences between developed and developing countries, with a specific focus on cause preference in CRM. Charity causes are believed to have distinct characteristics. One angle is the vitality of issues (hunger, shelter, etc.) compared to less fatal needs like culture and community awareness. Another perspective is the discrepancy in immediacy of results like between natural disaster aids versus environmental alleviation. The studies question if there is an inconsistency between a consumer preference when “shopping” for these causes. A sensible prediction is that consumers in a developing economy are more prone to share their expense to more immediate and vitally urgent causes. At the same time, this group is expected to have lower willingness to pay extra for a charity-tied marketed product. The segment in a developed country, on the other hand, with more exposure to sustainability information, is supposed to treat it as a requirement, thus inclined to pick out causes with less urgency and also willing to pay more for prosocial products. By addressing these key areas, the study aims to provide valuable insights into consumer behavior and preferences in diverse socio-economic contexts.

This research not only contributes to academic literature by filling critical gaps but also provides actionable insights for practitioners, ensuring a more effective and culturally sensitive approach to cause-related marketing for both profit and non-profit sectors. Firstly, the study addresses critical literature shortcomings, primarily the scarcity of research on CRM and the absence of international comparisons, particularly between developed and developing countries. The research provides valuable insights with significant managerial implications for various stakeholders. Secondly, for companies, the findings offer essential guidance to marketers and strategists in tailoring effective cause-related marketing

campaigns. By identifying the right cause for specific customer segments, companies can enhance the resonance of their initiatives. Moreover, it is increasingly crucial for global market penetration and sustainability to gain understandings of how to appeal to emerging segments in developing countries. Finally, NGOs and NPOs stand to benefit from this research as it serves as a practical guideline for selecting partnerships judiciously. The study emphasizes the importance of crafting compelling messages that align with the values and preferences of diverse audiences. Such insights enable non-profit organizations to not only attract more donors but also foster stronger and more impactful collaborations.

2 Literature review

2.1 Cause-related marketing

The first CRM campaign recorded took place in the United States in 1983, initiated by American Express (AMEX). The objective of this initiative was not only to boost the usage of the AMEX credit card but also to generate funds for the restoration of the Statue of Liberty. This campaign was mentioned in the first academic article on CRM in 1988 by Varadarajan & Menon. In the same article, CRM was defined as “a company contributing a certain amount to a designated cause when consumers purchase their offer”. In a similar fashion, Robinson et al. (2012) refers to CRM as “the marketing practice of donating a specified amount from product sales to designated charitable causes”. With such specific interpretation, CRM is classified as a branch under the big umbrella of CSR illustrated in Table 1 (Kotler & Lee, 2005; Kotler et al., 2012). The common thread among academic researchers about CRM is the coexistence and connection between two sectors (public and private) in one marketing activity, in which corporation’s donation is tied to purchase or customer behavior.

Table 1

Main CSR Initiatives

Corporate Social Marketing	Cause-Related Marketing	Cause Promotion	Corporate Philanthropy	Socially Responsible Business Practices	Community Volunteering
Supporting behavior change campaigns	Making a contribution or donating a percentage of revenues to a specific cause based on product sales or usage	Supporting social causes through promotional sponsorships	Making direct contribution to a charity or cause	Adapting and conducting discretionary business practices and investments that support social causes	Supporting employees to volunteer in the community

Source. Bhatti et al., 2021, adapted from Kotler and Lee (2005), and Kotler et al. (2012)

Cause-related marketing research first emerged in the 1988-2000 decade with a small but impactful body of work (e.g. Varadarajan and Menon, 1988; Hawken and Stead, 1996) laying the groundwork for the field (Bhatti et al., 2021). The following decade (2001-2010) saw a surge in scholarly interest, with publications reaching 74 and solidifying CRM as a captivating research area. In this blooming period, the main keywords of concerns found were corporate *social responsibility*, *reputation*, *corporate image*, and *purchase intention*. This academic trends from 1988 to 2016 are also confirmed by Natarajan et al. (2016) and Thomas et al. (2020). The most significant growth occurred in the 2011-2020 period, with a remarkable 257 articles published, reflecting CRM's growing importance in contemporary marketing strategies (Bhatti et al., 2021). In this most recent span of time, ethical concerns started to grow significantly alongside consumer behavior and attitude. Bhatti et al. (2021) also observed a notable rise in CRM publications specifically within the years 2019 and 2020. This trend could be attributed to the emergence of the global COVID-19 pandemic, a period marked by heightened societal vulnerability and significant challenges for businesses seeking to maintain relevance. In this context, cause-related marketing strategies likely became increasingly employed, leading to a corresponding growth in academic interest and publications on the topic. Before this phenomenon, the number of CRM studies published witnessed a surge in 2016 by Vrontis and his fellow researchers (2020). Possible explanations include a shift in consumer values towards social responsibility, the evolving social media landscape, or specific social or environmental events that sparked the interest.

A growing body of research recognizes CRM as a practical business tool capable of improving a company's sales performance and corporate reputation. Moreover, it is seen as a potential means of establishing a sustainable competitive advantage, as highlighted by studies such as Larson et al. (2008), Liu (2013), and Duarte and Silva (2018). Scholars have explored cause-related marketing (CRM) through various lenses, viewing it as an activity

(Varadarajan & Menon, 1988; Hawkens & Stead, 1996; Mullen, 1997), a strategic approach (Smith & Alcorn, 1991; Barone et al., 2000; Endacott, 2004; Fromherz, 2006), a marketing mix tool (Tangari et al., 2010; Beise-Zee, 2013; Boenigk & Schuchardt, 2013), and even a collaborative effort between for-profit and non-profit organizations (Nowak & Clarke, 2003; Docherty & Hibbert, 2003; Cui et al., 2003). Despite such diverse body of work, it is agreed that CRM is less mentioned in extant published journal articles compared to other topics in marketing (Bhatti et al., 2022; Vrontis et al., 2020).

Geographically, CRM research started out in the US and still a large portion in North America and Europe (Bhatti et al, 2022; Thomas et al, 2020). Asian academics (Indian and Taiwanese) publish more and more in recent years (e.g. Chang, 2011; Thomas & Kureshi, 2017), scholars from Muslim countries are also conduct research showcasing an emerging region of CRM study (e.g. Hanzae et al, 2019; Anuar & Mohamad, 2012). Lavack and Kropp (2003) were recognized as the pioneers in cross-country CRM research by including four countries from different regions such as Australia, Canada, South Korea, and Norway. Following this trail, researchers from different countries studied together and compared the Western versus Eastern world, for example Italy and Japan (Santoro et al, 2019), India and Philippines (Pandey et al, 2020), the USA and South Korea (Bae, 2017; Kim and Johnson, 2013). However, the amount of academic literature on CRM in developing countries is still comparably humble with respect to developed economies.

A substantial body of research within international marketing underscores the critical role of Corporate Social Responsibility (CSR) in today's interconnected world (Becker-Olsen et al., 2011; Eisingerich & Rubera, 2010; Laughlin & Ahsan, 1994; Madden et al., 2012). However, a gap exists when it comes to exploring cause-related marketing (CRM) through an international lens (Vrontis et al., 2020). Notably, Strizhakova and Coutler

(2019) offer a valuable exception by investigating how factors like a firm's location (domestic vs. foreign), the cause's focus (domestic vs. global), and consumer cultural identity (locally vs. globally oriented) influence consumer attitudes towards the firm in a specific national context (Russia). Their work highlights the potential for further research that delves deeper into the complexities of international CRM. This highlights the need for further research that leverages the power of globalization. As Bhatti et al (2022) and Vontis et al (2020) pointed out, cross-cultural studies comparing customer preferences across development stages are crucial for advancing the field.

Under increasing interest in CRM, current researchers mainly focus on the effectiveness of CRM for businesses. Research by Ali & Lasmono (2010) highlights the potential for CSR to influence consumer behavior, suggesting that in contexts where products are comparable in quality and price, CSR can serve as a decisive factor in consumer purchasing decisions. Using an advanced text-mining methodology, Guerreiro and research partners identified the most discussed persisting topics since 1988 on the subject are *brand-cause fit*, *law and ethics*, and *corporate and social identification* (2015). Similar result was found by Vrontis et al (2020) where most researched determinants of CRM influence are donation amount, and brand-cause/charity fit. Even though there is a general consensus around the positive effect of CRM for all stakeholders, conflicting empirical results were shown in the strength of factors affecting the overall campaign effectiveness.

2.2 Cause type, cause preference and willingness to pay

Understanding consumer behavior in cause-related marketing (CRM) campaigns necessitates differentiating between social and ecological causes as potential independent variables. Social causes address human welfare concerns like poverty alleviation, healthcare access, or education enhancement. For example, TOMS, a for-profit shoe company, donates a pair of shoes to a child in need for every pair purchased (TOMS, n.d.). This program addresses the social cause of poverty alleviation by providing footwear to children who might not otherwise have access to it. Conversely, ecological causes focus on environmental preservation, sustainability, and biodiversity conservation. To illustrate with a real-life campaign, The Body Shop, a cosmetics company, partners with various organizations to support environmental causes like protecting endangered species or promoting sustainable sourcing practices. Their programs tackle ecological concerns by raising awareness and funding for environmental protection efforts.

Research suggests a potential preference for social causes over ecological ones, even with repeated exposure to campaigns. A study from Mexico found consumers willing to pay a 22% premium for products associated with a leading social cause campaign, compared to a 10% premium for non-cause-related products. Interestingly, this effect wasn't observed for ecological causes (Amezcuca et al., 2018). Similarly, Thomas and Kureshi (2020) found that education was the preferred CRM cause among respondents, compared to environment, underprivileged support, and health.

However, the picture is not entirely black and white. Mohr & Webb (2005) and Pelozo & Shang (2011) suggest that consumer attitudes and behaviors vary based on the promoted cause. Some studies indicate a stronger willingness to pay for products associated with ecological causes, potentially due to a growing awareness of environmental issues. Fan

et al. (2010) add another layer of complexity, suggesting that cause familiarity might play a role. Their research indicates that cause-related marketing might be more effective when the cause is less familiar, potentially sparking consumer curiosity and engagement. This contrasts with the findings of a preference for social causes, which are often more familiar to consumers.

Furthermore, Robinson et al. (2012) explored the impact of consumer choice in cause selection. They found that allowing consumers to choose the cause in a campaign can enhance their perceived personal role in helping, particularly for individuals high in collectivism and when the company-cause fit is low. Lafferty (2014) further emphasizes the differential impact of cause categories. They found that health and human services causes have a greater influence on consumer attitudes and purchase intentions compared to environmental causes. Carrington et al. (2016) suggest this divergence might stem from varying levels of personal identification with the cause, perceived relevance, emotional connection, and perceived societal or environmental impact.

Understanding these distinctions between social and ecological causes, along with the potential influence of cause familiarity, is crucial for developing effective CRM strategies that maximize consumer engagement and willingness to pay. Building upon this knowledge, the current study aims to investigate consumer preference and willingness to pay for products associated with two distinct cause types: social (education) and ecological (clean air). By focusing on these specific examples, this research delves deeper into consumer behavior within the realm of CRM campaigns.

2.3 Developed and developing economies

The UN's document "Country classification" (United Nation, 2014) specified that the composition of country groupings, including developed, developing, and underdeveloped countries, is intended to reflect basic economic country conditions. The developing economies broadly comprise Africa, Latin America and the Caribbean, Asia without Israel, Japan, and the Republic of Korea, and Oceania without Australia and New Zealand. The developed economies broadly comprise Northern America and Europe, Israel, Japan, the Republic of Korea, Australia, and New Zealand. According to the World Bank, a developed country is defined as a country with a per capita national income (GNI) above 12,535 USD (PPP) in 2020. Meanwhile, a developing country has a GNI lower than this level. Distinguishing these two groups of countries based on income is a common approach, but it is not sufficient to fully reflect the development picture. Therefore, international organizations such as the United Nations (UN) use many other indicators such as Human Development Index (HDI) and Income Inequality Index (Gini). The HDI measures levels of health, education and per capita income. The UN Human Development Report 2022 shows that Norway tops the HDI rankings, while South Sudan ranks last. Income Inequality Index (Gini): Measures the level of income distribution within a country. According to the World Bank's World Inequality 2022 report, the country with the highest level of inequality is South Africa, followed by Brazil and Colombia. The level of development and social problems of each country may vary within the same group.

Distinguishing developed and developing countries based on income and other indicators helps us have an overview of the development picture of each group of countries. However, it should be noted that this is only a generalized approach and needs to be supplemented by country-specific analysis. In the context of consumer choice and

willingness to pay for cause-related marketing products, we have to take a closer look into the current initiatives in CSR communication and pro-social marketing around the world.

Preferences in prosocial initiatives are even more divergent between developed and developing countries, from both corporate practices and consumer behavior. Climate change, air pollution, and water pollution are all serious issues that influence public health and the ecology in industrialized countries. According to the United Nations Environment Programme's (UNEP) World Environment Report 2022, rich nations have four times the average greenhouse gas emissions per capita as developing countries. As a result in developed nations, CSR disclosure is propelled by an array of stakeholders, including regulators, shareholders, environmentalists, and the media (Ali et al., 2017). Furthermore, CSR communication strategies often prioritize sustainability, encompassing philanthropic and environmental responsibilities in Europe (Stanislavská et al., 2020). In contrast, developing countries witness a different landscape where CSR reporting is primarily influenced by external forces such as international buyers and regulatory bodies, with lesser local public pressure (Ali et al., 2017). Stanislavská et al.'s research underscores the prevalence of CSR communication focusing on educational initiatives and social and environmental responsibility in these regions (2020). This disparity extends to charitable activities, as evidenced by Vietnam and Thailand's leading roles in donation activities within the Asia-Pacific region, notably directed towards children's education and health, disaster aid, and poverty alleviation (Mastercard, 2017).

Perhaps from such differences in CSR communication, consumers in developing countries exhibit lower awareness and support for initiatives compared to their counterparts in developed nations (Ali & Lasmono, 2010). Corporates' marketing for social and environmental causes are prevalent and successful in the US or in Europe but not yet so

prominent in developing countries (La Ferle et al., 2013). The struggle is faced by both for-profit and nonprofit organizations in developing countries in promoting CRM products with ecological goals. For example, only 24% of Vietnamese consumers emphasize the importance of sustainability, compared to 71% in Europe and the United States (Bain & Company, 2023), and less than a third of respondents implied willingness to pay a premium for it or switch brands if the price is higher (McKinsey, 2023). According to Fan et al (2019), the impact of cultural orientation (collectivism vs. individualism) has no significance, but proved otherwise in other studies (e.g., La Ferle et al., 2013, Choi et al., 2016). Moreover, most of the independent variables studied tend to be very specific and ignore the macroeconomic development differences among global consumers (Vontis et al., 2020). Given the differences in CSR awareness and support between developed and developing countries, it is hypothesized that consumers from developing countries exhibit lower willingness to pay extra for CRM products compared to those from developed countries.

H1: Consumers from a developing economy (vs. developed) prefer CRM products associated with a social (vs. ecological) cause category.

2.4 Experience with scarcity

Scarcity is an ever-present reality and has received significant interest across an array of academic disciplines, including marketing (e.g., Sharma and Alter 2012), psychology (e.g., Griskevicius et al. 2013), economics (e.g., Banerjee and Duflo 2011), sociology (e.g., Booth 1984), and more. According to Mullainathan and Shafir (2013) in their work "Scarcity", the concept of "scarcity experience" describes the feeling of lack or

loss of something valuable. When this experience occurs, it can influence people's behavior and decisions in many ways.

Firstly, reminders of scarcity or the experience itself with an unfulfilled need often draw attention like a zooming camera. The experience of scarcity attracts people's attention and causes them to focus on information related to what is scarce (Shah, Mullainathan, and Shafir 2012; Mullainathan and Shafir 2013). This "tunneling" effect may be predicted when other, more intense states of scarcity are aroused and need an urgent reaction, such as when one feels hungry. (i.e., scarcity of food; Briers et al. 2006; Aarøe and Petersen 2013; Yam, Reynolds, and Hirsh 2014).

Scarcity not only attracts attention, it also holds a surprisingly strong link with sympathy. More than once the phrase “been there done that” was quoted to show a sense of understanding and empathy. Experience with scarcity, as a result, shapes prosocial behavior patterns, leading to diverse target choices among consumer groups with distinct cultural and environmental backgrounds. Previous work dovetail with the above rationale. A study by Vietes et al. (2022) conducted a pre-test in Rio de Janeiro and revealed that while higher-class residents did not experience the same scarcity of shelter as the lower class, both groups shared a sense of insecurity due to violence. Consequently, the study found that wealthy individuals donated more to security initiatives compared to those focused on shelter.

Reminders of scarcity can not only motivate people to act generously towards others, but it can also influence their purchasing decisions. Studies have shown that consumers exposed to reminders of limited resources (compared to a control group) are more likely to engage in behaviors that benefit both themselves and others (Roux et al., 2015). Furthermore, when the ability of a product to contribute to a good cause is highlighted, consumers experiencing scarcity are more inclined to choose sustainable options

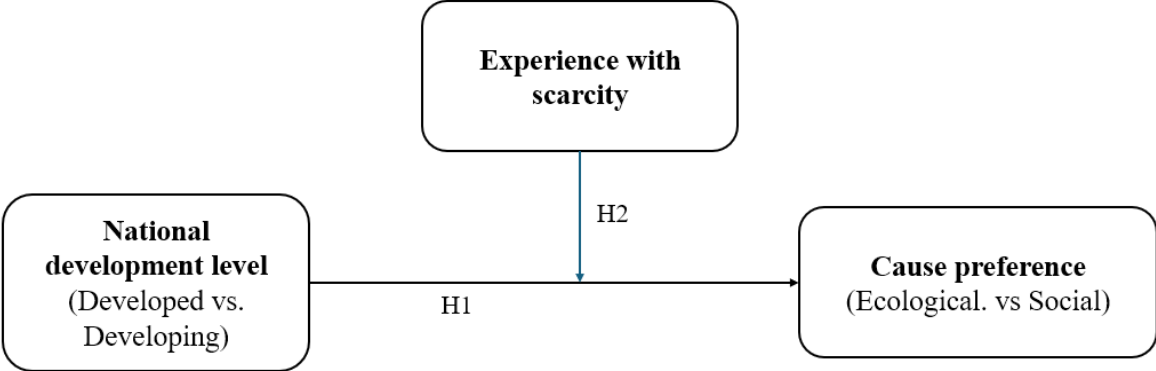
(Goldsmith et al., 2020). Together, these findings lend indirect credence to the hypothesis that prior experience with scarcity can drive decisions and donation allocation toward causes with the related scarcity.

Building upon the notion that scarcity can influence cause selection, consumers from developed and developing nations, due to their differing experiences with scarcity, may exhibit distinct preferences when choosing cause-related products. For instance, education, particularly addressing gender disparity, is a critical issue in developing countries with high illiteracy rates and limited access for girls (UNESCO, 2023). The UNESCO Global Education Report 2023 highlights that 262 million children and adolescents are out of school globally, concentrated primarily in developing regions. This pervasive sense of scarcity in education might lead emerging markets to prioritize educational causes over environmental ones. Conversely, in developed nations where access to education is generally higher, reminders of scarcity might focus on different areas, such as air quality. This potential for scarcity reminders to shift focus aligns with the hypothesis that prior experience with scarcity can moderate cause preference and willingness to pay among consumers from developed and developing countries.

H2: Experience with scarcity moderates the relationship between national development level and cause preference, and willingness to pay among consumers.

Figure 1

Conceptual framework and outline of hypotheses



3 Methodology

3.1 Study design

The study utilized a 2 (National development level: Developed vs. Developing) x 2 (Scenario condition: Control vs. Scarcity) between-subjects factorial design. Participants were randomly assigned to one of the four conditions formed by the combination of these factors. This design ensures control for order effects, as participants were not exposed to both scenarios. National development level was operationalized based on self-reported nationality, while randomized scenario conditions manipulated perceived scarcity of clean air. This factorial design allows for the examination of main effects for national development level and scenario condition, along with the potential interaction effect between these factors on the dependent variables (cause preference and willingness to pay).

3.2 Participants

A total of 225 individuals participated in the study. Participants were recruited from both developed and developing countries using a snowball sampling method through an online survey platform (Qualtrics). Recruitment strategies included targeted advertisements on social media platforms and professional networks. To ensure participant anonymity and confidentiality, the survey platform did not collect any identifiable information. Incomplete responses or those missing nationality data were excluded, resulting in a final sample of 195 participants ($M_{\text{age}} = 25\text{-}34$, $SD_{\text{age}} = 1.141$, 70% female). The average education level was pretty high among university/college graduates ($M_{\text{edu_lv}} = 4$, $SD_{\text{edu_lv}} = .925$) The sample comprised 147 respondents from Vietnam (considered a developing country) and 48 respondents from European countries: France (3), Italy (24), Norway (20), Finland (1), Ireland (1) (considered developed countries).

3.3 Type of Cause

Two cause types were presented: (1) Ecological (clean air) and (2) Social (education). The ecological cause (clean air) reflects documented concerns about air quality in developing countries, particularly in large cities like Hanoi and Ho Chi Minh City in Vietnam, where heavy traffic congestion involving motorbikes (the most common vehicle) contributes significantly to air pollution (World Health Organization, 2023). The social cause (education) aligns with the recognized importance of education in developing countries, as evidenced by the United Nations' Sustainable Development Goal 4: Quality Education (United Nations, 2015).

3.4 Procedure

Participants completed a short survey on the Qualtrics platform. As an incentive for completing the survey, participants received a random "fortune cookie" message at the end. The order of scenario presentation was randomized to control for order effects. National development level was determined based on self-reported nationality in the sociodemographic section of the survey.

The manipulation aimed to explore the influence of perceived scarcity on consumer choice in developed versus developing countries. Scarcity of clean air was operationalized by presenting participants with two randomized scenarios. Scenario A served as the control condition, depicting a neutral situation where participants imagined buying coffee after work or school. Scenario B introduced a scarcity manipulation by describing the participant being stuck in traffic with heavy exhaust fumes, reflecting the air quality concerns in developing countries.

Scenario A

Imagine you just finished work or school, you need to buy ground coffee.

After half an hour, you finally reach the store.

You have 1€ to buy either of the products presented in the next page.

Scenario B

Imagine you just finished work or school, you need to buy ground coffee.

*After half an hour **stuck in the traffic jam with heavy exhaust fumes**, you finally reach the store.*

You have 1€ to buy either of the products presented in the next page.

Following each scenario, participants completed the following measures:

Choice of Cause. Participants were asked to choose one of two products, with each product linked to a different cause: (a) 5% of profits donated to a Clean Air Fund or (b) 5% of profits donated to a Child Education Fund. An image was provided for better understanding of cause choice, neutral color choice was demonstrated with representative icons to avoid contextual bias (Figure 2). The product chosen was ground coffee bean - a commonly known utilitarian product closer to practical shopping scenario. Compared to a hedonic product type, the chosen one witnesses stronger effect on customer attitude (Fan et al., 2020), so it might generate clearer responses.

Figure 2

Illustration for choice of cause



Willingness to Pay. The survey asked 5-point Likert WTP questions adapted from the validated scale by Robison et al. (2012). Participants responded to a series of statements using a validated scale to assess their willingness to pay for products with each cause:

"Compared to the same product sold without any contribution to a cause..."

- I would PAY MORE for a product that contributes to clean air (1 = Totally disagree, 5 = Totally agree)
- I would pay this extra percentage for a product that contributes to clean air (0%, 1-5%, 6-10%, 11-15%, 16% and more)
- I would PAY MORE for a product that contributes to child education (1 = Totally disagree, 5 = Totally agree)
- I would pay this extra percentage for a product that contributes to child education (0%, 1-5%, 6-10%, 11-15%, 16% and more)

Sociodemographic Information. The survey collected self-reported data on nationality, age (using a 7-point scale with categories like "Under 18" and "65 and above"), gender, and education level. National development level was inferred from the nationality question. To account for potential confounding variables, regression models will control for sociodemographic characteristics not directly related to development level.

3.5 Data Analysis

Binary logistic regression and multiple linear regression were conducted using Statistical Package for the Social Sciences (SPSS) to examine the main and interaction effects of national development level (developed vs. developing) and scenario condition (scarcity vs. control) on choice of cause and willingness to pay for each cause. Levene's test for homogeneity of variances was performed to ensure that the assumption of homogeneity of variance is met. Independent-samples t-test conducted to explore significant main or interaction effects on the difference between the means of WTP for both causes.

4 Results

4.1 Study 1 - Cause preference

Study 1 investigates the joint and interactive effects of development level and scarcity on consumer cause preference. We utilize data collected through a choice set of questions, where participants indicated their preference between products supporting either an ecological cause or an educational cause. This analysis aims to determine whether the independent variables, namely development level (developed vs. developing countries) and scarcity experience (manipulated vs. control), influence the probability of choosing a product associated with either the ecological or educational cause. By exploring both individual and interaction effects, we seek to understand how development level and scarcity experiences might independently and jointly influence consumer preferences for cause-related products.

A binary logistic regression analysis was employed to test for the main effects and interactions. The regression model chose the type of cause (ecological cause [clean air] = 1, social cause [education] = 0) as a dependent variable. Independent variables included the national development level (developing nations = 1, developed nations = 0), a dummy for scarcity (manipulation = 1, control = 0), and the interaction term between them, with standard errors clustered at the individual level. Other potential covariates controlled for are the participants' age (7-scale item), gender (male = 1, female = 0), age (7-scale item), and education (5-scale item).

Firstly, in comparison to the baseline model, the adapted model with inclusion of identified independent variables has better predictability and fit better. Block 0 Classification Table (Table 2) showed a low overall percentage of accuracy (59.5%), while

the adjusted model (Table 3) with independent variables improved accuracy by 10% to a medium-high level. The Chi-square (43.094) was associated with a p -value < 0.001 , indicating independent variables significantly improved the prediction of the dependent variable that was cause preference (Table 4). The fairly high pseudo R-square (.268) represented a good model fit (Table 5).

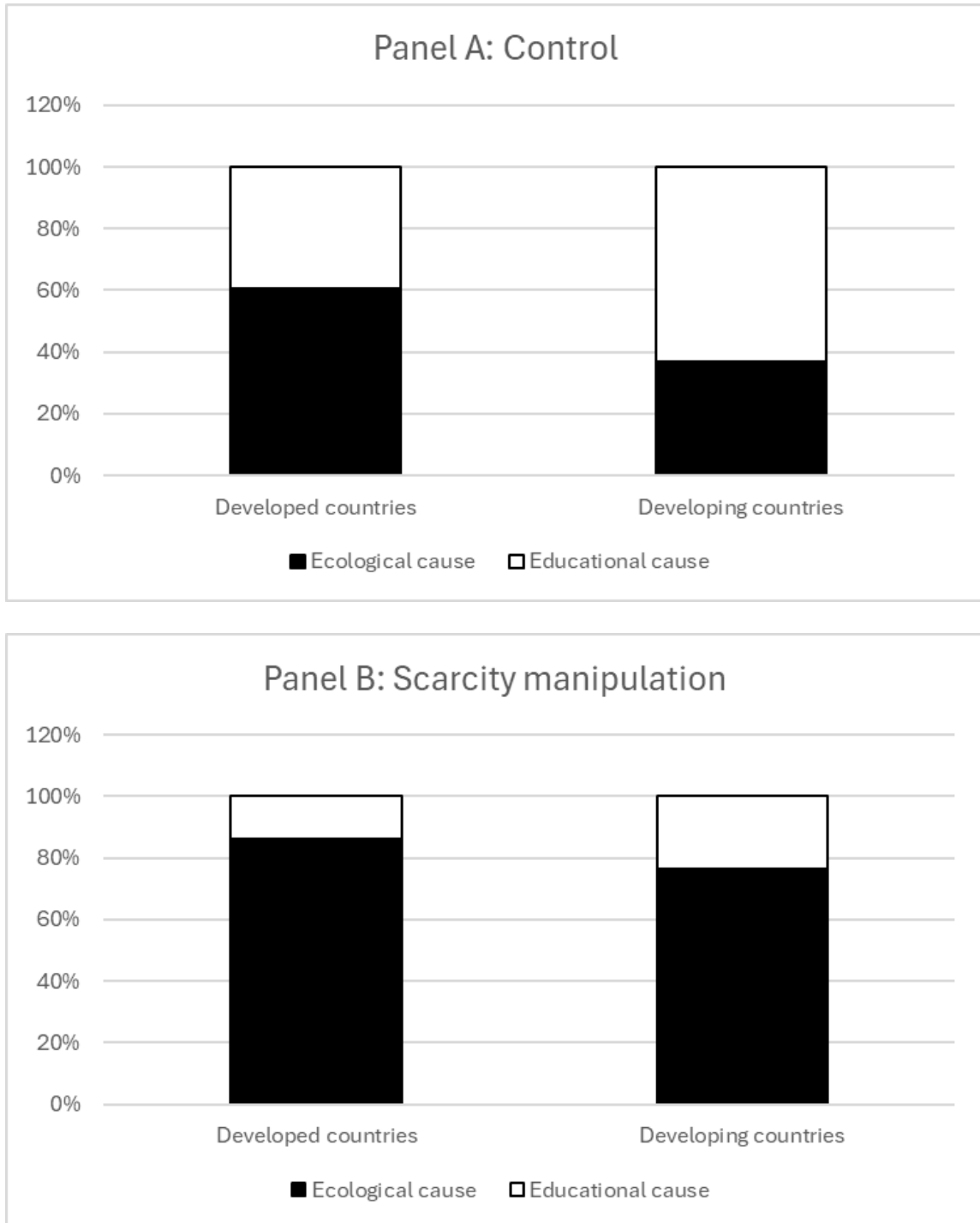
Secondly, looking into variables in equation (Table 6), the factors influencing the probability of cause preference, particularly the chance of choosing ecological cause assigned value 1, are investigated in detail. Except for education level ($\beta = -.634$, $SE = .198$, $p = .001$, $\text{Exp}(\beta) = .53$), none of the other control variables reached significance (all $ps > .07$). With an $\text{Exp}(\beta) = .53 < 1$, it seems that the relationship between education level and the probability of choosing an ecological cause is negative. In line with hypothesis 1, the main effect of national development level was significant ($\beta = -1.117$, $SE = .503$, $p = .047$, $\text{Exp}(\beta) = .327$). An odds ratio smaller than 1 (.327) implied that lower development level (developing = 1) decreased the probability of a consumer choosing the product supporting an ecological cause. Interestingly, hypothesis 2 was not confirmed because the interaction term between development level and scarcity showed statistically insignificant ($\beta = .236$, $SE = .850$, $p = .782$, $\text{Exp}(\beta) = 1.266$). However, scarcity showed a considerably significant influence on cause preference ($\beta = .1.532$, $SE = .771$, $p = .027$, $\text{Exp}(\beta) = 4.626$). A high odds ratio (4.626) demonstrated a strong relationship between scarcity manipulation and ecological choice of cause. The statistical result of significant main effects and insignificant interaction term implied that scarcity might not be the moderator, but its impact is similar across both national development levels. In other words, scarcity manipulation globally increased the probability of choosing ecological cause-related products, regardless of nations. However, it might be the imbalance of data between respondents from developed

and developing countries. Therefore, it should be taken into consideration that the result might not be statistically significant, but it does reflect changes in real world context.

As a result, a visualization in the form of a stacked bar graph was generated. Since the choices are binary of 0 and 1, it is appropriate to compare the changes in percentage of each group of consumers. It is represented in Figure 3 below that there was a dramatic increase in both groups of respondents' choice for the product with ecological cause when they were exposed to experience with scarcity in clean air. Interestingly, the gap between the two groups narrowed due to the surge in ecological preference by consumers from developing countries ($DEV = 1$). On the other hand, developed countries ($DEV = 0$) consistently showed a preference for ecology over education, regardless of scarcity manipulation. This implies that ecological concerns might already be a higher priority for consumers in developed nations. The graph also highlights a significant shift in preferences for developing countries. In the control condition (no scarcity experience), education appears to be the preferred cause. However, when reminded of scarcity in air quality, this group demonstrates a clear switch in preference, favoring the product supporting the ecological cause.

Figure 3

The influence of national development level and scarcity on cause-related product preference



Note. N = 195, unit = %

In conclusion, Study 1 investigated the effects of development level and scarcity experience on consumer preference for cause-related products. Supporting Hypothesis 1, the study revealed a baseline preference for ecological causes in developed countries compared to developing countries. The regression analysis suggested that consumers in more developed nations exhibited a higher likelihood of choosing products supporting ecological causes compared to those in developing nations.

Furthermore, experience with scarcity plays a significant, independent role in influencing cause preference, with scarcity manipulation leading to a dramatic increase in the choice of ecological cause-related products across both developed and developing countries. Interestingly, the effect seemed more pronounced for developing countries, potentially even reversing their initial preference from education to ecology. This finding aligns with the notion that scarcity experiences can heighten awareness and preference for causes related to the scarce resource. Additionally, education level emerged as a contributing factor. Participants with higher education levels demonstrated a greater tendency to choose ecological causes. This suggests that education might play a role in shaping environmental awareness and cause preference.

However, the hypothesized interaction effect between development level and scarcity was not statistically significant (Hypothesis 2). While the data visualization hint a potential narrowing of the preference gap between developed and developing countries under scarcity conditions, the disparity in participant numbers across development levels might have obscured a statistically significant interaction. The study included a larger number of participants from developing countries compared to developed countries. In statistical analysis, a larger sample size increases the power to detect significant effects. Therefore, a lack of statistical significance for the interaction effect does not necessarily

imply its absence. With a more balanced sample size across development levels, future research could potentially reveal a statistically significant interaction effect.

4.2 Study 2 - Willingness to pay

Building upon Study 1, Study 2 delved deeper into the influence of development level and scarcity on consumer behavior. While Study 1 examined cause preference, Study 2 shifted the focus to participants' willingness to pay (WTP) for products associated with either an ecological cause or an educational cause. Here, we employ a different analytical approach, comparing the mean differences in WTP between groups defined by development level and scarcity experience. This analysis aims to understand whether development level (developed vs. developing countries) and scarcity experience (manipulated vs. control) have a statistically significant impact on the disparity in WTP between the two causes. By comparing the mean difference in WTP between groups, we seek to identify potential interactions between development level and scarcity that might influence how much consumers are willing to pay for products supporting different causes.

To assess the independent influence of scarcity on willingness to pay (WTP) for each cause, separate independent-samples t-tests were conducted for developed and developing countries. This approach allowed for the isolation of potential effects of scarcity within each development level. The test variables were WTP for the ecological cause (ECO_MEAN) and WTP for the educational cause (EDU_MEAN). Other potential covariates controlled for are the same as Study 1 with participants' age, gender, age, and education level.

The results for developed countries (Table 7) revealed that the mean WTP for both causes (M_{Eco} and M_{Edu}) decreased slightly in the manipulated scarcity condition compared

to the control condition. Specifically, the mean WTP for the ecological cause decreased from $M_{Eco} = 3.196$ in the control group to $M_{Eco} = 2.875$ in the manipulated scarcity group. Similarly, the mean WTP for the educational cause decreased from $M_{Edu} = 3.036$ in the control group to $M_{Edu} = 2.325$ in the manipulated scarcity group. However, only the difference in WTP for education (M_{Edu}) between the control and manipulated groups approached statistical significance ($p = .033$) (Table 8).

Similarly, for developing countries, the mean WTP for both causes showed some variation across scarcity conditions. The mean WTP for the ecological cause was $M_{Eco} = 2.781$ in the control group and $M_{Eco} = 2.939$ in the manipulated scarcity group. The mean WTP for the educational cause was $M_{Edu} = 3.000$ in the control group and $M_{Edu} = 2.892$ in the manipulated scarcity group. However, none of these differences in WTP between control and manipulated scarcity groups reached statistical significance in developing countries. These non-significant findings suggest that the scarcity manipulation might not have had a strong independent effect on WTP for either cause within each development level. Further investigation is needed to explore potential explanations for these results, such as the specific design of the scarcity manipulation or the influence of other factors not considered in this analysis.

To delve deeper into the potential interaction between scarcity and development level on how willingness to pay (WTP) differs between ecological and educational causes, a new variable was created, as shown in Table 9. This variable represents the magnitude of the difference in average WTP between the two cause types. A univariate analysis of variance (ANOVA) was then conducted to examine how scarcity and development level independently and interactively influence this difference variable.

The creation of this new variable serves two key purposes. Firstly, it allows us to specifically scrutinize the variation in WTP between ecological and educational causes. By focusing on the difference in means, we can directly assess how much WTP varies between the two causes depending on these factors. Secondly, creating a single dependent variable streamlines the analysis process. Running an ANOVA on one variable (the difference in mean WTP) improves analytical efficiency compared to analyzing separate ANOVAs for each cause type.

The results revealed a statistically significant effect for the corrected model ($p < .001$), indicating that at least one of the independent variables has a significant influence on the difference in WTP between the two causes. Further analysis of individual effects showed that scarcity experience has a significant impact on the WTP difference ($p = .015$). This suggests that experiencing scarcity likely plays a role in how much more (or less) people are willing to pay for the ecological cause compared to the educational cause. Similarly, national development level also emerged as a significant predictor of the WTP difference ($p = .002$). This indicates that the level of development (developed vs. developing countries) likely plays a role in how much people are willing to pay for each cause. However, it's important to consider the effect sizes alongside the significance levels. The partial eta squared values revealed that scarcity has a small effect size (.031) on the WTP difference, while development level has a small to medium effect size (.048). While both scarcity and development level are statistically significant predictors of the difference in WTP, their individual effects seem to be relatively small.

A visual representation of the mean WTP for both causes across scarcity conditions in each development level can further aid in interpreting these findings (Figure 4). The stacked bar graph reveals interesting patterns in willingness to pay (WTP) across

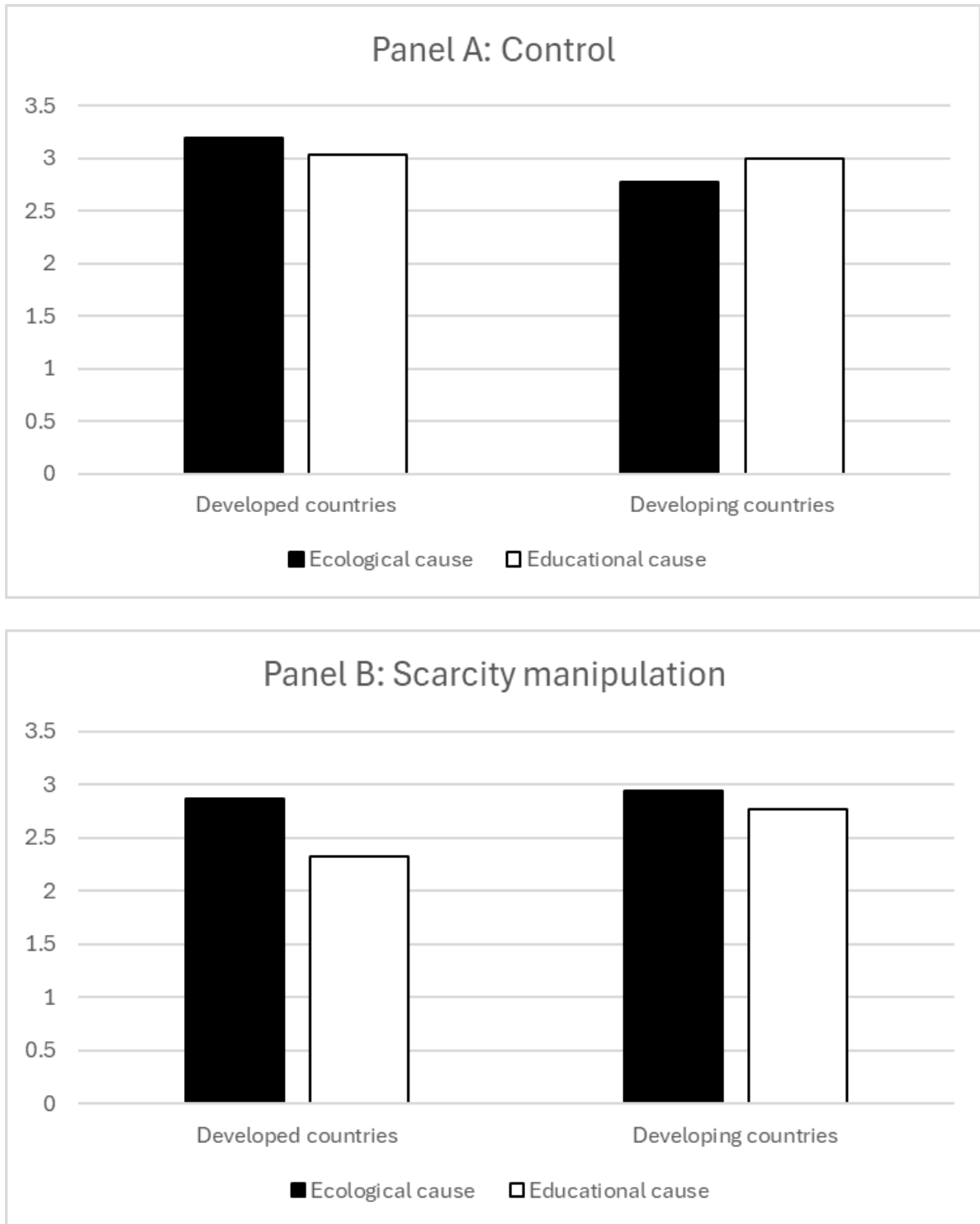
development levels (developed vs. developing countries) and scarcity conditions (control vs. manipulated).

For developed countries, the graph suggests that while WTP for both ecological and educational causes decreased slightly after exposure to the scarcity manipulation, the overall preference remained for the ecological cause. In contrast, developing countries exhibited a clear shift in preference. Before the scarcity manipulation, the mean WTP for the educational cause was slightly higher than the ecological cause. However, after exposure to scarcity, the WTP for the ecological cause surpassed the WTP for the educational cause. This suggests that scarcity might have triggered a switch in preference for developing countries, leading them to value the ecological cause more than the educational cause.

The overall difference in WTP between the two causes, regardless of development level, might not be substantial. This could potentially be attributed to a bias towards choosing moderate responses during the data collection process. However, despite the potentially small difference in WTP, the data suggests that WTP effectively captured the underlying shift in cause preference, particularly for developing countries exposed to scarcity manipulation.

Figure 4

The influence of national development level and scarcity on willingness to pay for cause-related products



Note. N = 195, unit = mean WTP

To summarize, Study 2 examined how development level and scarcity experiences influence willingness to pay (WTP) for ecological and educational causes. While separate analyses for developed and developing countries revealed little significant independent effects of scarcity on WTP for either cause, a more nuanced picture emerged when considering the interaction between these factors.

A univariate analysis of variance testing for interaction effect indicated that both development level and scarcity experience play a role in how much more (or less) consumers are willing to pay for the ecological cause compared to education. Admittedly, the effect sizes were relatively small, suggesting a subtle influence of both factors on the WTP disparity. Visualizing the WTP data further supported this notion. Developed countries exhibited a slight decrease in WTP for both causes after scarcity manipulation, but the overall preference remained for ecological causes. Conversely, developing countries displayed a clear shift in preference, with WTP for the ecological cause surpassing education after scarcity manipulation.

These findings suggest that scarcity experiences can potentially trigger a stronger preference for ecological causes, particularly for consumers in developing countries. However, the overall difference in WTP between the two causes might be relatively small, potentially due to a bias towards moderate responses during data collection. Despite this limitation, the data effectively captured the underlying shift in cause preference, particularly for developing countries facing scarcity.

5 Conclusion

5.1 General discussion

Across a series of studies in a highly unequal socioeconomic environment, we show that national development level helps shape budget allocation preferences when multiple causes are available. The results of Study 1 provided valuable insights into the factors shaping consumer decision-making in the context of cause-related consumption, particularly regarding the interplay between development level, perceived scarcity, and preference for products supporting different social or environmental issues. The findings from Study 2 complemented those of Study 1 by providing a more nuanced picture of how development level and scarcity experiences might shape consumer behavior related to cause-related products. While some results were not statistically significant, they offer suggestive insights into consumer behavior related to cause-related products. Our findings confirm the existence of distinct cause preferences between developed and developing nations in the daily shopping scenario.

The study highlights the potential of scarcity experiences to influence cause preference. In fast-developing cities, participants likely facing a more vivid experience of air quality scarcity, exhibited a clear switch in preference towards the ecological cause after exposure to the scarcity manipulation. This suggests that scarcity can act as a catalyst for re-evaluating priorities and potentially fostering support for environmental initiatives. The observed influence of scarcity experience on cause preference provided evidence that aligns with existent literature (Mullainathan and Shafir, 2013; Vietes, 2021).

Notably, education level emerged as a significant covariate, showing that the higher the achieved academic level, the higher chance a product with ecological cause is chosen.

This trend could be explained by the higher exposure to environmental issues often associated with higher education. Furthermore, it might contribute to the observed difference between developed and developing countries. Developed nations often boast higher average education levels, potentially leading to a decreased perception of educational scarcity and a stronger inclination towards supporting ecological causes. Conversely, the higher educational scarcity in developing countries might explain their initial preference for the educational cause.

While the analysis of willingness to pay (WTP) didn't show clear-cut differences, the average amounts paid hinted at some interesting patterns, particularly in developing countries after exposure to scarcity. This suggests that even without a strong statistical signal, the scarcity experience might have nudged people's spending habits a bit, potentially influencing their cause preference. Future studies with more participants or different ways of measuring WTP could open new avenues for exploring this potential effect and provide a clearer picture of how scarcity influences WTP choices.

The generalizability of these findings extends beyond the specific context of the study. While participants were recruited from Vietnam (a developing country) and European countries (developed countries), the core concepts of national development level and perceived scarcity are relevant to a broader range of developing nations. Businesses operating in these markets can potentially leverage the understanding of how scarcity influences consumer choice to develop targeted marketing strategies. For instance, businesses could collaborate with charities addressing causes related to prevalent resource scarcities (e.g., clean water, education) to enhance sales and foster positive brand perception. Similarly, charities can utilize scarcity as a tool to raise awareness and attract donors in developing countries, potentially amplifying the impact of their mission.

Furthermore, the study's focus on ecological and social causes can be generalized to other cause categories. Based on the characters of the causes, practitioners can adapt the findings to their causes of choice based on time of effect (long-term vs. short-term), criticality (fatal vs. non-fatal), or needs (basic vs non-basic). The findings can also be investigated in participants of different socioeconomic backgrounds (i.e. social class), or donation allocation (Vietes et al., 2021). Future research could explore how scarcity influences consumer preferences for utilitarian and non-utilitarian products across various cause types.

In conclusion, this research across two studies sheds light on how national development level and perceived scarcity influence cause-related consumption decisions. Study 1 revealed how development level interacts with scarcity to shape product preferences, while Study 2 provided further insights into the potential influence of education level on these choices. The findings suggest that scarcity experiences can act as a catalyst for re-evaluating cause priorities, particularly for ecological causes. These results offer valuable guidance for businesses and charities in developing targeted strategies to promote cause-related consumption, with potential for broader generalizability across cause categories and socioeconomic backgrounds. Future research can delve deeper into the influence of scarcity on willingness to pay and explore its impact on consumer preferences for different product types and causes.

5.2 Theoretical contributions

This research contributes to the understanding of prosocial behavior by moving beyond the question of inherent differences and instead focusing on the contextual factors influencing how individuals from distinct socioeconomic backgrounds allocate resources towards social good. Our findings demonstrate that systematic variations in empathy towards unmet needs can significantly shift the pattern of prosocial behavior. This work aligns with an emerging, yet limited, body of research that explores the interplay between national development level and prosocial motivations (altruism and generosity). We further emphasize the context-dependent nature of these motivations across different socioeconomic backgrounds. (Kraus and Callaghan 2016; Whillans, Caruso, and Dunn 2017).

This research builds on the idea that personal experiences influence our feelings towards specific causes (Bennett, 2012; Small & Simonsohn, 2008). The studies take it a step further by showing that these experiences can also be shaped by our social class or socioeconomic background. In other words, the standard of living and conditions people experience as a group can influence their preferences for charities, even more than individual experiences. This pattern holds true even in the context of transactional consumer choices. The findings suggest that socioeconomic background shapes people's experiences in similar ways, leading to predictable group preferences, regardless of individual differences. This research aligns with recent calls for consumer researchers to consider larger groups, not just individuals, when studying consumer behavior (MacInnis et al., 2020).

This paper also contributed to research on scarcity by documenting a new phenomenon in literature (Mani et al., 2012; Shah et al., 2015, 2018; Shah, Mullainathan,

and Shafir, 2012). We know scarcity can make people focus on meeting basic needs (Shah et al., 2012). But past research has mainly looked at this from an individual perspective, like how much they're willing to spend based on their budget. This study expands on that by showing that when resources are limited, people tend to focus not just on their own needs, but also on society's most pressing needs. This explains why people from different educational backgrounds might have diverse preferences and spending habits (willingness to pay) when facing scarcity, as seen throughout the research.

This research also offers valuable insights for the field of marketing, particularly within the domain of cause-related marketing (Carrigan & Weitz, 2001). Traditionally, cause-related marketing strategies have focused on understanding consumer motivations to donate (Peloza & Shang, 2011), or the cause-brand fit (Bigné-Alcañiz et al., 2012, Zhang et al., 2020, Gupta & Pirsch, 2006, etc.). Our findings highlight the importance of considering not just individual motivations, but also the broader context in which these decisions are made. Specifically, the role of national development level and its influence on cause preference can inform the development of more targeted and effective cause-related marketing campaigns across different markets (Chen et al., 2016).

This research also adds to our understanding of how different countries influence consumer choices. Some studies suggest that if everyone had the same amount of money, they'd all buy similar things (Vietes et al., 2021; Henry and Caldwell 2008). The findings in this research challenged this idea. This paper showed that a country's level of development shapes what people prefer to spend their money on, even beyond how much they have. This aligns with recent calls for more cross-cultural research on consumer behavior in developing countries (Bhatti et al., 2022; Vontis et al., 2020). This research supports the idea that people's social background plays a role in what they choose to buy.

5.3 Societal and managerial implications

This cross-cultural research on cause preference in cause-related marketing offers valuable insights with societal and managerial implications, particularly within the transactional context of consumer behavior.

From a societal perspective, the findings highlight the relationship between cause preference and personal experiences. Developed countries, with a focus on environmental well-being, prioritized the ecological cause, potentially reflecting a societal emphasis on sustainability. Developing countries, where basic needs like education might be more pressing, initially favored the educational cause. This underscores the importance of tailoring social programs to address the specific priorities of different communities. Moreover, the research also reveals a potential for shifting priorities through education and awareness campaigns. The observed switch towards the ecological cause in developing countries after exposure to air quality scarcity suggests that personal experiences with scarcity can trigger a reevaluation of priorities and encourage prosocial behavior that benefits the collective good (buying environmentally friendly products). This insight can inform policymakers in developing strategies to address environmental concerns and improve public health, potentially by linking environmental issues to basic needs in educational campaigns. In addition, the significant impact of education as a factor motivating willingness to pay for ecological products suggests that informative conveyance in schools is vital in nudging greener choices in daily life.

The research also offers significant implications for businesses, opening a door for global companies to expand their operating markets by utilizing cause-related marketing as a powerful tool. Understanding how development level and scarcity experiences influence cause preference allows companies to tailor their messaging and product offerings to

resonate with specific markets, encourage consumer behavior and ultimately sales. On one hand, in developed countries, companies can emphasize their environmental commitments and partnerships with ecological causes. For example, an outdoor clothing company might highlight the use of recycled materials or its support for environmental initiatives, potentially leading consumers to choose their product over a competitor's due to its alignment with their cause preference. On the other hand, consumers in developing countries would be more likely to support a new product if it is associated with an established charity addressing education or other unmet social needs. This is a noteworthy approach to consider when businesses plan to penetrate a new market.

Furthermore, the research suggests that scarcity-based appeals can be a powerful tool in cause-related marketing. By highlighting potential scarcity issues related to the cause they support, companies can potentially trigger a reevaluation of priorities and encourage consumers to purchase their product. For instance, a bottled water company can partner with an organization working on water conservation and emphasize the potential scarcity of clean water in their marketing campaign. This scarcity-based appeal could be the sufficient reason for consumers to choose their brand over a competitor's, thinking they are contributing to an important and urgent cause while making a purchase.

Finally, charitable organizations as well as non-profit and non-government organizations can leverage the findings to develop more effective fundraising strategies. Understanding how development level and scarcity experiences influence cause preference allows charities to tailor their communication and outreach efforts to resonate with specific demographics and regions. An environmental charity, for instance, could partner with educational institutions in developing countries to raise awareness about environmental issues and their connection to basic needs. Similarly, an educational charity could focus its

message on the long-term benefits of education, highlighting how it can contribute to addressing scarcity issues in the future, such as scarcity of skilled labor or access to clean water. By forming strategic partnerships and tailoring communication strategies to address both cause preference and potential scarcity concerns, charitable organizations can increase their fundraising effectiveness and broaden their reach.

In conclusion, this research offers valuable insights that can benefit society, businesses, and charitable organizations. By understanding the interplay between cause preference, development level, and scarcity experiences, societal programs can be better targeted to encourage prosocial behavior. Businesses can develop more effective cause-related marketing strategies that increase sales or extend their markets, especially targeting emerging economies like Vietnam. Charitable organizations can improve their fundraising efforts by tailoring their communication to resonate with specific demographics and address potential scarcity concerns. Ultimately, this research paves the way for a more collaborative and impactful approach to addressing social and environmental challenges.

5.4 Limitations and future directions

The current research offers valuable insights into the interplay between development level, scarcity experiences, and cause preference in a cross-cultural context. However, some limitations are worth considering for future research endeavors.

Firstly, the study relied on self-collected data, resulting in a sample skewed towards Vietnamese respondents due to statistical significance due to time and social constraints, hence the generalizability of the findings might be limited. Future research could benefit

from collaboration with researchers in developed countries to recruit more balanced samples across different cultures and development levels.

Secondly, the research focused on a single type of product (ground coffee) which is a utilitarian purchase. Future studies could explore how cause preference interacts with different product categories, particularly hedonic products like luxury items, travel experiences, or hospitality services. Investigating consumer behavior related to these products might reveal differences in cause preference, especially considering the potential tendency for higher-class consumers in developing countries to favor luxury goods (Pino, 2019; Truong, 2010).

Finally, the research compared two causes representative of ecological and social needs - clean air and education. While these were carefully chosen causes, future research could explore a broader range of causes with more dimensions. This could include investigating preferences between humanitarian causes vs. animal welfare causes or causes with immediate impact like disaster relief vs. long-term impact like cultural preservation. By expanding the scope of investigated causes, we can gain a more nuanced understanding of how cause preference interacts with development level and other influencing factors.

This research opens doors for further investigation in several directions. One promising avenue is to explore how to leverage the findings to bridge the gap in cause preference between developed and developing countries. Future studies could investigate the effectiveness of communication strategies that frame environmental issues as directly linked to basic needs survival in developing countries. For instance, research could explore the impact of messages emphasizing the connection between air pollution and respiratory health in children or highlighting the vital role of clean water access in preventing waterborne illnesses that disproportionately affect developing or underdeveloped

communities. By tailoring messaging to resonate with the specific needs and priorities in developing nations, these strategies have the potential to foster a stronger connection with environmental causes and potentially narrow the preference gap observed between development levels.

Furthermore, the research highlights the potential of scarcity-based appeals in cause-related marketing. Future research could explore the optimal ways for businesses to utilize scarcity messaging to encourage prosocial consumer behavior and increase donations to specific causes, while ensuring ethical marketing practices. This could involve investigating the most effective framing of scarcity messages, such as highlighting the limited availability of resources (e.g., dwindling clean water supplies) or the potential consequences of inaction (e.g., increased risk of climate disasters). It's crucial, however, that such strategies are implemented ethically and responsibly. Future research can explore ways to balance the persuasive power of scarcity messaging with ethical marketing practices, ensuring transparency and avoiding exploitation of consumer concerns. For example, research could investigate the effectiveness of combining scarcity appeals with clear information about the cause and the impact of donations, fostering informed and responsible consumer choices.

Finally, this research explored the experience with scarcity as a potential moderator. But other research can look into other methods of manipulation that encourage prosocial consumption. This could involve investigating the effectiveness of framing cause-related purchases as a form of self-investment, emphasizing the positive societal or environmental impact associated with such choices. Additionally, research could explore the role of emotional appeals in promoting cause-related consumption. By delving deeper into these areas, future research can contribute to the development of more effective strategies for

promoting cause-related consumption and fostering positive social and environmental change.

By addressing these limitations and pursuing promising future research directions, we can gain a deeper understanding of the complex factors shaping cause preference across cultures and development levels. This knowledge can ultimately contribute to the development of more effective strategies for promoting prosocial consumption and addressing pressing social and environmental challenges.

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Appendix

Table 1

Main CSR Initiatives

Corporate Social Marketing	Cause-Related Marketing	Cause Promotion	Corporate Philanthropy	Socially Responsible Business Practices	Community Volunteering
Supporting behavior change campaigns	Making a contribution or donating a percentage of revenues to a specific cause based on product sales or usage	Supporting social causes through promotional sponsorships	Making direct contribution to a charity or cause	Adapting and conducting discretionary business practices and investments that support social causes	Supporting employees to volunteer in the community

Note. Bhatti et al., 2021, adapted from Kotler and Lee (2005), and Kotler et al. (2012)

Table 2

Classification table of full logistic regression model

		Predicted		Percentage Correct
		Cause preference		
		0	1	
Cause preference	Education	0	79	0
	Ecology	0	116	100
Overall percentage				59.5

Note. The constant is included in the model and the cut value is .5

Table 3*Classification table of adjusted logistic regression model*

		Predicted		Percentage Correct
		Cause preference 0	1	
Cause preference	Education	44	35	55.7
	Ecology	25	91	78.4
Overall percentage				69.2

Note. The cut value is .5**Table 4***Omnibus Tests of Model Coefficients*

	Chi-square	df	Sig.
Step	43.094	6	<.001
Block	43.094	6	<.001
Model	43.094	6	<.001

Table 5*Model Summary*

Step	-2 Log likelihood	Cox & Snell R square	Nagelkerke R square
1	220.170	.198	.268

Note. Estimation terminated at iteration number5 because parameter estimates changed by less than .001

Table 6*Variables in the equation of logistic regression model*

	B	S.E	Wald	df	Sig.	Exp(B)
Scarcity	1.532	.771	3.945	1	.047	4.626
Development level	-1.117	.503	4.919	1	.027	.327
Interaction	.236	.850	.077	1	.782	1.266
Age	.298	.167	3.203	1	.074	1.348
Gender	.191	.351	.295	1	.587	1.210
Education level	-.634	.198	10.268	1	.001	.530
Constant	1.804	1.057	2.916	1	.088	6.075

Note. Dependent variable is Cause preference (Education = 0, Ecology = 1)

Table 7*Descriptive statistics for responses from developed countries*

Cause	Scarcity	N	Mean	Standard Deviation	Standard Error Mean
Ecology	Control	28	3.196	.8643	.163
	Manipulation	20	2.875	.9851	.220
Education	Control	28	3.036	1.1621	.219
	Manipulation	20	2.325	1.0166	.227

Note. Dependent variable is Willingness to pay (minimum = 1, maximum = 5)

Table 8*Descriptive statistics for responses from developing countries*

Cause	Scarcity	N	Mean	Standard Deviation	Standard Error Mean
Ecology	Control	73	2.781	.8457	.099
	Manipulation	74	2.939	.8315	.097
Education	Control	73	3.000	.8457	.099
	Manipulation	74	2.892	.8287	.096

Note. Dependent variable is Willingness to pay (minimum = 1, maximum = 5)

Table 9*Tests of between-subjects effects*

Dependent variable: Difference in willingness to pay (ECO – EDU)

Source	df	Mean Square	F	Sig.	Partial Eta squared
Corrected Model	2	5.133	7.344	<.001	.071
Intercept	1	.026	.038	.846	.000
Scarcity	1	4.244	6.072	.015	.031
Development	1	6.766	9.681	.002	.048
Error	192	.699			
Total	195				
Corrected total	194				

Note. R squared = .071 (Adjusted R squared = .061)