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## Cause Effect: Brands Rush to Save World One Deed at a Time

### From Bisquick to Quaker, Pepsi to Prilosec, Marketers Turn to Microsponsorships

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NEW YORK (AdAge.com) -- Is it possible to have a coffee, buy a car or go shopping without saving the world? Not these days.

And now you can also host a pancake breakfast, send Girl Scout cookies to the troops and shelter stray pets, thanks to a friendly corporate sponsor. In addition to the now-requisite cause marketing, brands such as [Quaker](#), [Pepsi](#), [Prilosec](#) and Bisquick are turning to so-called microsponsorships of a few hundred or few thousand dollars that go straight to the consumer to fund their own pet project. The most visible of these is Pepsi Refresh, in which consumers can apply for grants ranging from \$5,000 to \$250,000.

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Industry experts say that this approach has its benefits: engaging with consumers in social media, boosting small charities that can't compete with marketing juggernauts such as Susan G. Komen for the Cure, and free market research that results in more effective advertising campaigns.

But there are also plenty of pitfalls. These campaigns invoke a spray-and-pray mentality by hitting myriad causes, making return on investment difficult to measure and increasing the possibility of aligning with a bad actor. There's a huge challenge in melding consumers' causes with the brand's promise; if it doesn't work, there's a risk the efforts could become white noise. Moreover, the sheer

number of programs makes them less distinctive for brands seeking a point of differentiation now that cause marketing has become expected by consumers.

"It's quickly going to become a point of parody," said Northwestern's Kellogg School of Management professor Derek Rucker, comparing the rush to microsponsorships to the green-marketing push several years ago. Eventually, he said, "it becomes a necessary thing for a brand to do."

He predicted there will be a stigma attached to sitting on the sidelines. And, in fact, according to strategy and communications firm Cone, 84% of consumers say selecting their own cause is important when determining support for a company's cause efforts.

### **More involved consumers**

"We're definitely seeing a trend with consumers being passionate about giving back and helping others," Quaker Chief Marketing Officer Kirsten Lynch said, noting that the struggling economy only adds fuel to this fire. "Even with children, it rises to the top of the list of things they're passionate about." According to the company, U.S. consumers are 31% more involved in philanthropic causes and volunteerism than they were a year ago.

Jim Stengel, former Procter & Gamble Co. global marketing officer, said even though the appeal crosses demographic lines, this type of effort is particularly effective with college students who are idealistic and want to be part of something larger. He's witnessing it first hand as an adjunct professor at UCLA. "People really do want to think beyond this generation; they want to think about their impact long-term," he said. "Will be there some cynics out there? Maybe. But there's a groundswell right now to do good things."

Certainly, cynics have long pointed to the lack of transparency and authenticity in cause campaigns. Will Marre, a consultant and author of "Save the World and Still Be Home for Dinner," said too often companies view cause efforts as a tax they must pay. But, thanks to robust consumer-engagement models, new microsponsorship campaigns tend to be more transparent.

"More marketers are latching on to this, and rightfully so, because there is more transparency in where the money is going," said Cheryl Damian, a director in the cause-branding group at Cone.

But if you're contemplating a foray into microsponsorships, be warned: Even tiny sponsorships have to be closely associated with your brand.

### **Ice breaker**

"You've got to look at yourself and what your brand stands for," said Ian Wolfman, CMO of brand-engagement agency IMC2. And whatever you decide to pursue can't be an isolated campaign. "It's got to tie into a bigger program that attracts people with similar values and those have got to be clearly stated."

Otherwise, said Marc de Swaan Arons, chairman, Effective Brands, "you might as well be throwing money away."

For some marketers, microsponsorships present a much-needed icebreaker in social media.

"Marketers are looking for ways to talk to consumers instead of just talk about their brands," said former Denny's CMO Mark Chmiel. "So they're finding something social to make a connection."

Indeed, branding consultant Simon Mainwaring posited that the sponsorships may be more market research than marketing campaign. After all, these types of campaigns help marketers increase their social-media presence -- Pepsi says it doubled its Facebook fans in the past month, thanks to its

Refresh Project, which awards grants to people, businesses and nonprofits "with ideas that will have a positive impact" -- and build databases of those consumers applying for grants or voting. Simply put, they're "encouraging consumers to define what's meaningful to them, so marketers can reach out to them in more meaningful ways," Mr. Mainwaring said. Tellingly, 79% of consumers say they would be likely to switch from one brand to another (when price and quality are about equal) if the other brand is associated with a good cause. That's up from 66% in 1993, according to Cone.

That's what Pepsi is hoping for. It wants consumers standing at the beverage case choosing between a Coke and a Pepsi to think of the Refresh Project and decide that's the brand they want to be associated with. "It's that last 3 feet, that point of purchase," said Ralph Santana, VP-marketing at Pepsi. "The bet is that we'll be the brand of choice in that situation."

But Ms. Damian noted that often microsponsorships lack focus, and it's difficult to determine ROI. "The most successful sponsorships are long-term, sustained sponsorships. Microsponsorships fly in the face of that," she said. "It's the equivalent of unfocused granting. ... You want to have an impact on a cause and be given credit for that impact."

### **Losing brand control**

Likewise, Mr. Chmiel cautioned that microsponsorships make it easy to "lose control of the brand," especially when doling out small sums to far-flung strangers.

Mr. Santana said Pepsi is employing a "battery of diagnostics" to measure ROI, including gauging of brand-equity measures that correlate with volume. The brand has also partnered with Good, Global Giving and Do Something, third parties that are onboard to ensure quality and credibility.

As for getting the word out about the brand's impact, there are plans to profile the grant winners and highlight what they've accomplished with the money later this year.

Still, Angela Eikenberry, assistant professor at the University of Nebraska at Omaha, said one downside of these programs is that they are "just pecking away" at big problems. "For people to be more engaged is generally a good thing," she said. "But I wonder what the tradeoffs are, if people think, 'I've voted for this; I've spent half an hour online looking at these projects and signing petitions, so I've done my civic duty.'"

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