

Cause Importance and Cause Familiarity of the “Aashirvaad-Boond Se Sagar Initiative” of ITC in Jammu City

Nithlesh Tikoo¹, Anil Bhat², Jyoti Kachroo³, N.S. Raina⁴, Sudhakar Dwivedi⁵, S.P. Singh⁶, Shelleka Gupta⁷ and Jahangir Ali⁸

^{1,2,3,5,6,8}*Division of Agricultural Economics and ABM, SKUAST-Jammu, J&K, India*

⁴*Division of Agroforestry, SKAUST-Jammu, J&K, India*

⁷*University of Jammu, J&K, India*

Corresponding author: anilxxb@rediffmail.com

Abstract

The present study is an investigation of cause related marketing initiative “Aashirvaad-Boond Se Sagar” of Indian Tobacco Company Ltd. The Agri-business companies are increasingly undertaking the CRM initiatives (a type of CSR), wherein these companies have a scope of undertaking social causes along with achievement of their marketing objectives. Therefore, through this study an attempt has been made to understand consumer perception towards such campaigns. For the same, it was undertaken to study the cause familiarity and cause importance of ITC’s- “Aashirvaad-Boond Se Sagar” initiative. The second objective undertaken was to analyze the input of cause familiarity and cause importance on attitude towards the brand and further in the third objective the impact of attitude on purchase intentions was studied. The present study was undertaken in the Jammu City and the data was collected from 200 consumers of Aashirvaad brand. Sequential Sampling was used to collect the data through survey method. The data collected was analyzed using Descriptive Statistics and Regression Analysis. The result of the study indicated that the respondents were of the opinion that ITC has promoted an important cause, but the familiarity to the same was somewhat low. There was a clear indication from the analysis that cause familiarity and cause importance have a significant impact on the attitude towards the brand and also the attitude thus formed through CRM initiative further leads to enhanced purchase intentions. Thus signaling the overall effectiveness of the CRM initiative of ITC’s Aashirvaad brand.

Keywords: Corporate Social Responsibility, Cause Related Marketing, Cause Importance, Cause Familiarity,

India is the world’s second largest producer of food next to China but accounts for less than 1.5% of International Food Trade. The Indian Food Sector is poised for rapid growth and has potential to become a reliable outsourcing partner in the Food Industry, given its strength in the primary Food Sector. The Indian Food brands are now rapidly increasing and finding prime shelf spaces in the retail chains across US, Europe and GCC Countries. The need of the hour in India is increased productivity of

grains and building of an effective supply chain to ensure that what is produced in the farm reaches the consumer in good shape. Greater use of machinery has, therefore, become necessary in India, where plenty of produce is available for value addition and food processing, but there are technical constraints in enhancing production and productivity because of inadequate exposure to high technology & inputs, coupled with advanced production practices, preservation, logistics and marketing. As a result,

India is emerging as one of the hottest destinations not only for Food Processing and Packaging Machinery & Equipment imports from European and South East Asian countries but also for Agro-Food products from international suppliers. Agribusiness, which historically did not value the search for differentiation, are now in the process of developing strategies aimed at achieving a prominent position in consumer preference. By introducing or highlighting attributes desirable to consumers, a higher loyalty can be created, thus facilitating the entry of the company and its products in niche markets that are both more profitable and more attractive.

The Packaged Wheat Flour Market in India started breaking the old age traditions of grinding wheat at local Chakki mills by growing at a whooping Compound annual growth rate (CAGR) of 19% and may likely to be double the current size by end of this decade, according to IKON Marketing Consultant's latest pan India research report (2015), titled 'The Indian Packaged Wheat Flour (Atta) Market - Breaking the Traditions'. However, the report noted that the wheat flour market largely dominated by local chakki mills in India; the branded packaged wheat flour segment is emerging rapidly in the country by offering better quality, nutrition and convenience.

The Indian packaged wheat flour market comprises few national players and large number of regional and private label brands operating at pan India or restricted geographic market based on their size and capacity. According to IKON's estimate, the packaged wheat flour market in India is growing at whooping CAGR of almost 19% since past three years. If the growth trajectory remains the same, market may likely to touch the new height of more than ₹ 7500 crore in current fiscal (2015-16) itself.

In terms of volume, the packaged wheat flour market in India were more than 2,200 thousand tons during last fiscal 2014-15, growing at healthy double digit CAGR of 15% over the past three years. The urban market dominates packaged wheat flour market in India. As per IKON's estimate, urban market occupies more than 90% of the total market where as due to penetration of packaged food in rural India, rural consumers' willingness towards the packaged wheat flour found somewhat increased. The annual

per capita consumption of packaged wheat flour in India remained nearly at 1.85kg during fiscal 2014-15. However, urban market leads in per capita consumption of packaged wheat flour with almost 5.5kg, making the packaged wheat flour an urban phenomenon. North Central region is the major consumer of the packaged wheat flour in India. According to IKON's estimation for fiscal 2014-15, in terms of value, the North-Central region comprises almost 44% of the overall India's packaged wheat flour market. The Indian packaged wheat flour market consist of plenty of brands each one is trying to distinguish themselves with origin of wheat, manufacturing process, quality, taste, textures and price to attract customers. Besides leading brands, there are more than 500 regional brands in India. Each flourmill has its own brand, sometimes even more than 2 brands of packaged wheat flour. ITC's 'Aashirvaad' is the clear market leader among the national players in branded packaged wheat flour market in India with occupying more than 35% market share where as several regional brands (produced by flourmills serving region specific market) together occupy major 40% share of market. Shakti Bhog with wider penetration holds almost 12% market share where as other national players such as Pillsbury, Nature Fresh and Annapurna occupies below 10% market share. The various underlying factors driving the consumers for purchase of packaged wheat flour are, to fulfill the basic nutrition needs, for convenience and time saving, lack of storage of wheat in bulk and perceived high quality of packaged wheat flour.

Profile of Indian Tobacco Company Pvt. Ltd.

ITC is one of India's foremost multi-business enterprises with a market capitalisation of US \$ 40 billion and a turnover of US \$ 8 billion. ITC is rated among the World's Best Big Companies, Asia's 'Fab 50' and the World's Most Reputable Companies by Forbes magazine and as 'India's Most Admired Company' in a survey conducted by Fortune India magazine and Hay Group. ITC also features as one of world's largest sustainable value creator in the consumer goods industry in a study by the Boston Consulting Group. ITC has been listed among India's Most Valuable Companies by Business Today magazine. The Company is among India's '10 Most Valuable (Company) Brands', according to a study

conducted by Brand Finance and published by the Economic Times. ITC also ranks among Asia's 50 best performing companies compiled by Business Week.

ITC's Agri Business Division is the country's second largest exporter of agri-products. It currently focuses on exports and domestic trading of Soyameal, wheat, rice, shrimps and prawns, fruit purees/concentrates, IQF/frozen fruits, organic fruit products and coffee. ITC's Aashirvaad Brand believes in offering the best which is reflected in the sourcing process of the ingredients, their selection, the manufacturing process, packaging and finally the distribution of the final product. Aashirvaad is a brand of staple food and kitchen ingredients owned by ITC Ltd. The Aashirvaad range of products includes Atta, Salt, Spices and Instant mixes. At ITC Aashirvaad, extra care is taken to keep things as natural as possible. The way Mother Nature intended for them to be. Aashirvad Atta ITC entered the branded Atta market with the launch of Aashirvad Atta in Jaipur and Chandigarh on 26 May 2002. The product is now available all over India. The Aashirvad package is PET Poly, with the design showcasing the farming process undertaken in the rural heartland of India in the form of a Madhubani painting. Aashirvad Atta has further built on its leadership position among the National Branded Players with a market share of 56%. 'Aashirvad' promises the Indian house wife the joy of providing her family with the most delightful homemade rotis, made from the finest quality Atta. ITC uses the sourcing strength of its e- Choupals to buy wheat directly from the farmers to deliver happiness to the Indian consumer - Khushiyaan Chun Chunke (Happiness handpicked).

MATERIALS AND METHODS

The research was conducted with the help of pre-tested schedule that incorporated information related to the perception of the consumers towards Cause related marketing initiative of the ITC run campaign “Aashirvaad Boond Se Sagar”. The present study was conducted to understand the inclination of customer towards the cause campaigns promoted by the agribusiness companies in the Jammu city. The information has been collected from the consumers of ITC's Aashivaad Brand - Atta, Salt and spices in Jammu City. The information collected has helped clearly in identifying the role of Cause Related

Marketing. Primary data has been collected using the field survey method. For the same, a structured questionnaire was developed and personally administered to the target population of the consumers of ITC's Aashivaad Brand so as to achieve the objective of the study. The secondary data has been collected from websites, journals, newspaper articles, annual reports, magazines, etc.

A Sequential Sampling technique was applied to conduct the survey in different areas of Jammu City. Jammu East and Jammu West were selected purposively as the maximum numbers of Aashirvaad brand outlets are located in these areas. Then from these two areas, popular retail outlets were selected purposively on the basis of maximum number of costumer foot-fall, for identification of the customers who were purchasing the Aashirvaad brand of food products. A total of 200 sample respondents were selected 100 each from Jammu East and Jammu West. To measure the cause familiarity and cause importance of ITC's CRM initiative, a seven point scale was used to assess the respondents' level of agreement or disagreement with each statement by circling a number from 1-7. Cause familiarity was measured by three items on a seven-point scale: very familiar/very unfamiliar, definitely recognize/definitely do not recognize, and definitely have heard of/definitely have not heard of (Simonin and Ruth 1998). The importance of the cause was measured with three items on a seven-point scale anchored at very important/very unimportant, means a lot to me/means nothing to me, and very significant/very insignificant.

The data collected from the respondents was coded as per the requirement and simultaneously fed into MS- Excel 2007 spreadsheet and then transferred to SPSS 16 data editor file for further statistical processing. The various statistical tools that were used for conducting the study are:

Descriptive Statistics

Descriptive statistics is the discipline of quantitatively describing the main features of a collection of information or the quantitative description itself. Descriptive statistics provides simple summaries about the sample and about the observations that have been made. Such summaries may be either quantitative, i.e. summary statistics, or visual,

i.e. simple-to-understand graphs. These summaries may either form the basis of the initial description of the data as part of a more extensive statistical analysis, or they may be sufficient in and of themselves for a particular investigation. Descriptive statistics incorporate mean, median, standard deviation that is used to analyze the Cause Importance and Cause Familiarity of CRM initiative of ITC's "**Aashirvaad Boond Se Sagar**" in Jammu City.

Measure of Central Tendency (Mean)

This measure is mainly used for summarizing the essential features of a series and for enabling data to be compared. It is amenable to algebraic treatment and is used in further statistical calculations. In this study, measure of central tendency (Mean) was used in order to identify the point about which items have a tendency to cluster.

Measure of Dispersion (Standard Deviation)

An average can represent a series only to some extent and cannot reveal the entire story of the phenomena under study. It fails to give an idea about the scatter of the value of the items of a variable in the series around the true value of an average. In order to measure this scatter, statistical dispersion is calculated.

Mean = Sum of all the set elements / Number of elements

The importance of mean lies in its ability to summarize the whole dataset with a single value.

$$\text{mean} = \bar{x} = (\sum x_i) / n$$

Where x_1, x_2, \dots, x_n , are the set of elements and n is the number of elements.

RESULTS AND DISCUSSION

Cause related marketing of ITC

Companies are increasingly recognizing that a brand associated with a good cause can help build a strong relationship with stakeholders. In this context, CRM is a strategy that can add new value to a brand, helping to satisfy the emerging consumer demand for companies and brands to display corporate social responsibility. However, in order to acquire strategic relevance, CRM needs to be perceived

by stakeholders as an integral part of a company's broader corporate social responsibility programme, one that is clearly associated with the brand. In Cause-Related Marketing (CRM) a corporation partners with a non-profit organization typically, parts of the receipts from product or service sales are donated to the non-profit organization. In crowded markets where traditional marketing campaigns can fail to garner attention, Cause-Related Marketing is a way to stand out. In India, most marketers believe that it is very difficult to please consumers like a company's proven commitment to a worthy cause. Other things being equal many consumers would buy products from a company that stands for something beyond profits.

In nutshell, cause related marketing results in increased sales, visibility, and consumer loyalty and enhanced company image along with positive media coverage. All these are extremely pivotal when it comes to the success of a FMCG brand in India (Garg 2007). Over the years there have been a number of noticeable campaigns observed in Indian companies that have proved to be successful. For example The HUL announced a contribution of fifty paise to a diarrhoea project on sale of each of its LIFEBOUY brand soap. It helped to improve market share for 'lifebuoy'. HUL has also taken strides in to CRM programmes by collaboration with other NGO's. For example The HLL announced a ₹ 5/- contribution to SOS children's village, a social service organization working for educating every little heart by inserting coupons in its Brook bond Taj Mahal tea powder packs. The customer has to tell the coupon number to the company through a toll free telephone number. On similar grounds P&G has also entered into practice of CRM in India. Project SHIKSHA is a unique CRM initiative in association with Sony Entertainment Television. By purchasing packs of Vicks, Whisper, Ariel, Tide, Head & Shoulders and Pantene between 21st April - 12th June 2003, this unique education promotion allowed a mother to win ₹ 2 lakhs towards Graduate Education Fee of one child (24 such Prizes), or ₹ 5,000 towards next Year's Tuition fee for one child (96 such Prizes), and a number of Consolation Prizes, all courtesy P&G (Trivedi & Kaur, 2007). Over the years company's like Tata Salt which forms a part of the large Tata Group has also upheld its brand image through CRM campaigns. TATA Salt's Desh Ko Arpan programme

was launched by the pioneers and undisputed leaders in the packaged and iodized salt category - Tata Salt in association with CRY in 2002 and raised around ₹ 33 lakhs in a period of one month.

“Let’s put India first” campaign of ITC

ITC used classmate products and talked about the campaign “Let’s put India first” which told that ITC contributed Re 1 for every purchase of four notebooks of Classmate to rural development initiatives particularly primary education in villages.

Water Conservation Movement-“Aashirvaad-Boond Se Sagar” initiative

As part of its commitment to society, Aashirvaad has spearheaded a nationwide initiative for water conservation. Dubbed Aashirvaad - ‘Boond Se Sagar’, this initiative has over the years put 2 lakh hectares of land under soil and moisture conservation and touched the lives of over 1.60 lakh households covering 38 districts across 9 states in India. The ITC Rainwater Harvesting program brings people together and trains them to plan and build water conservation structures like bunds, check dams, tanks and farm ponds. As part of the ‘Boond Se Sagar’ initiative, 4.73 million person days of employment is being generated. The mechanism of funding the initiative is simple - for every pack of Aashirvaad (Atta, Spices and Salt) bought by consumers, Aashirvaad contributes a predetermined portion to the water conservation efforts. ITC has been continuously working towards the conservation of water for the last ten years and the company’s sustained effort over the years has made them a water positive company by increasing the conservation of rainwater and reducing consumption by all the units of the company. This national water conservation drive is a big step toward communicating this philosophy.

Cause-related marketing as part of corporate social responsibility becomes an increasingly used tool by companies operating in the market. Many studies have shown the benefits of cause related marketing campaigns, including attracting new customers, increasing sales of products or services, creating a favourable brand image and raising funds for a social cause. Therefore, this study has been undertaken to study the Cause Related Marketing initiative of

Indian Tobacco Company Ltd. (ITC) “Aashirvaad - Boond Se Sagar”. This research study is focused on understanding the impact of cause familiarity and cause importance on consumer’s attitude towards the brand. Further, the study has analysed the impact of attitude towards the brand on consumer purchase intentions.

Demographic Analysis

Age: 48 per cent of the respondents fall into the age group of 31-35 years whereas respondents from age group 26-30 years and 36-40 years were 27.5 per cent and 24.5 per cent respectively. There were no respondents falling in the age group of 20-25 years (Table 1).

Table 1: Age profile of the Respondents

Age (years)	Frequency	Percent
26-30	55	27.5
31-35	96	48.0
36-40	49	24.5
Total	200	100.0

Gender: There are 99 male respondents (49.5 per cent) and 101 female respondents (50.5 per cent), as presented in Table 2.

Table 2: Gender profile of the respondents

Gender	Frequency	Percent
Male	99	49.5
Female	101	50.5
Total	200	100

Income: 54 per cent of the respondents fall in the income level of above 50000INR and above where as only 9 per cent were having a family income ranging between 15000-30000INR and 37 per cent were having 30000-50000INR as their family income level (Table 3).

Table 3: Family Income of the respondents

Income(INR)	Frequency	Percent
15000-30000	18	9.0
30000-50000	74	37.0
50000 and above	108	54.0
Total	200	100.0

Occupation: As per table 4, it is found that 40.55 of the respondents belong to business class whereas 26.5 per cent and 33 per cent were Govt. Employees and Private sector employees respectively (Table 4).

Table 4: Occupation profile of the respondents

Occupation	Frequency	Percent
Govt. Employee	53	26.5
Private Sector Employee	66	33.0
Business Class	81	40.5
Total	200	100.0

Descriptive Statistics for Cause Familiarity

To study the cause importance and cause familiarity of “Aashirvaad-Boon Se Sagar” initiative of Indian Tobacco Company Ltd. in Jammu City” Descriptive Analysis technique was used. It has been found out from the descriptive analysis technique (Table 5) that respondents were in somewhat agreement with the cause familiarity of the initiative “Aashirvaad-Boond Se Sagar”.

Table 5: Descriptive Analysis of Cause Familiarity

Statements	N	Minimum	Maximum	Mean
F1 (I am very familiar with the cause promoted by the brand.)	200	1	7	4.64
F2 (I definitely recognize the cause promoted by the brand)	200	1	7	4.79
F3 (I definitely have heard about the cause.)	200	1	7	4.79

Descriptive Statistics for Cause Importance

It has been found out from the descriptive analysis technique (Table 6) that the respondents were in agreement that the company has promoted an importance cause through its CRM initiative “Aashirvaad-Boond Se Sagar”.

Statements of Cause Familiarity

The Table 7 depicts that for statement F1 (I am very familiar with the cause promoted by the brand), 27.5 per

cent respondents agree, 11 per cent strongly agree, 14.5 per cent somewhat agree, 21.5 per cent are neutral where as 15 per cent somewhat disagree, 7.5 per cent disagree and only 3 per cent strongly disagree to the statement.

Table 6: Descriptive Analysis of Cause Importance

Statements	N	Minimum	Maximum	Mean
I4 (I feel that the cause promoted is very important.)	200	1	7	5.58
I5 (I feel that the cause promoted means a lot to me.)	200	1	7	4.97
I6 (I feel that the cause promoted is very significant.)	200	1	7	5.49

It was also revealed that for statement F2 (I definitely recognize the cause promoted by the brand), 28 per cent respondents agree, 11 per cent strongly agree, 18 per cent somewhat agree, 24 per cent are neutral where as 12.5 per cent somewhat disagree, 3.5 per cent disagree and only 3 per cent strongly disagree to the statement. Further, for statement F3 (I definitely have heard about the cause), 28 per cent respondents agree, 10 per cent strongly agree, 23 per cent somewhat agree, 17.5 per cent are neutral where as 14 per cent somewhat disagree, 5 per cent disagree and only 2 per cent strongly disagree to the statement.

Table 7: Statements for Cause Familiarity

F1: I am very familiar with the cause promoted by the brand	
Response	Frequency
Strongly Disagree	6 (3%)
Disagree	15 (7.5%)
Somewhat Disagree	30 (15%)
Neutral	43 (21.5%)
Somewhat Agree	29 (14.5%)
Agree	55 (27.5%)
Strongly Agree	22 (11%)
Total	200 (100%)

F2: I definitely recognize the cause promoted by the brand

Response	Frequency
Strongly Disagree	6 (3%)
Disagree	7 (3.5%)
Somewhat Disagree	25 (12.5%)
Neutral	48 (24%)
Somewhat Agree	36 (18%)
Agree	56 (28%)
Strongly Agree	22 (11%)
Total	200 (100%)

F3: I definitely have heard about the cause

Response	Frequency
Strongly Disagree	4 (2%)
Disagree	10 (5%)
Somewhat Disagree	29 (14.5%)
Neutral	35 (17.5%)
Somewhat Agree	46 (23%)
Agree	56 (28%)
Strongly Agree	20 (10%)
Total	200 (100%)

Table 8: Statements for Cause Importance**I4: I feel that the cause promoted is very important**

Response	Frequency
Strongly Disagree	6 (3%)
Disagree	3 (1.5%)
Somewhat Disagree	8 (4%)
Neutral	21 (10.5%)
Somewhat Agree	43 (21.5%)
Agree	53 (26.5%)
Strongly Agree	66 (33%)
Total	200 (100%)

I5: I feel that the cause promoted means a lot to me

Response	Frequency
Strongly Disagree	9 (4.5%)
Disagree	4 (2%)
Somewhat Disagree	19 (9.5%)
Neutral	33 (16.5%)
Somewhat Agree	59 (29.5%)
Agree	39 (19.5%)
Strongly Agree	37 (18.5%)
Total	200 (100%)

I6: I feel that the cause promoted is very significant

Response	Frequency
Strongly Disagree	3 (1.5%)
Disagree	5 (2.5%)
Somewhat Disagree	9 (4.5%)
Neutral	23 (11.5%)
Somewhat Agree	50 (25%)
Agree	55 (27.5%)
Strongly Agree	55 (27.5%)
Total	200 (100%)

Statements of Cause Importance

The Table 8 depicts that for statement I4 (I feel that the cause promoted is very important), 33 per cent respondents strongly agree, 26.5 per cent agree, 21.5 per cent somewhat agree, 10.5 per cent are neutral whereas 4 per cent somewhat disagree, 1.5 per cent disagree and 3 per cent strongly disagree to the statement.

It was further revealed that for the statement I5 (I feel that the cause promoted means a lot to me), 29.5 per cent respondents somewhat agree, 19.5 per cent agree, 18.5 per cent strongly agree, 16.5 per cent are neutral, whereas, 9.5 per cent somewhat disagree, 2 per cent disagree and 4.5 per cent strongly disagree to the statement.

Further, for statement I6 (I feel that the cause promoted is very significant.), 27.5 per cent respondents strongly agree, 27.5 per cent agree, 25 per cent somewhat agree, 11.5 per cent are neutral, whereas, 4.5 per cent somewhat disagree, 2.5 per cent disagree and only 1.5 per cent strongly disagree to the statement.

CONCLUSION

It can be concluded that the consumers are less familiar with the cause promoted by ITC's Aashirvaad- Boond Se Sagar" initiative. But conversely, respondents perceive the cause promoted of "water conversation" is a good social cause for the company to promote. Cause familiarity and cause importance both have a significant impact on the attitude, which is the fundamental construct that affects buying behaviour.

REFERENCES

D'Costa, A.A. and Faye X.C. 2014. Causes Related Marketing – An Essential Tool for Branding. *IFSMRC AIJRM*, 2(3).

- Tallontire, A. and Greenhalg, P. 2005. Establishing CSR drivers in agribusiness. *Final report for foreign investment advisory service International Finance Corporation & World Bank*.
- Chattanon, Apisit. 2008. Impacts of a Thai Cause Related Marketing Program on Corporate Image. *International Journal of Emerging Markets*, 3(4).
- Heyder, M. and Theuvsen, L. 2009. Corporate Social Responsibility in Agribusiness: Empirical Findings from Germany. *Department of Agricultural Economics and Rural Development Georg-August University of Goettingen*.
- Perlman, S. and Chang, K. 2007. Cause Marketing: How far can the quid pro quo go? [Weekly Newsletter]. *The Non-Profit Times*.