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marketing for sustainable management in the airline industry

김인신

WP-2020-001

경제통상연구원

March 2020

이 논문은 2020년도 경제통상연구원의 지원을 받아 수행된 연구임

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# Investigating passengers' involvement in cause related marketing for sustainable management in the airline industry

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**Abstract:** Airline companies have implemented Cause Related Marketing (CRM) to contribute to sustainable development and to gain competitive advantage in the market providing identical services and products. This study aims to understand customers' perception of airline charity sponsorship. This study identifies the differences of airline passengers' CRM involvement according to demographic characteristics, investigates the structural relationships between CRM involvement, brand attitude, and customer citizenship behavior (CCB), and verifies the moderating effect of brand consciousness. To accomplish these aims, empirical research was conducted on data collected from 443 travelers on US-based full service airlines that participate in charitable donations and analyzed using Structural Equation Modeling (SEM). The results revealed differences in CRM involvement according to passengers' age and education level, and confirmed that CRM involvement creates favorable brand attitude, which in turn generates CCB that ultimately benefits the brand. This study suggests that airlines become involved in CRM in order to benefit both the nonprofit organizations and the brand itself through CCB.

**Keywords:** full-service airlines; cause related marketing; involvement; customer citizenship behavior

## INTRODUCTION

Sustainable development is desirable across all industries, including the airline industry. Sustainable development advocates economic development that contributes to social and environmental enhancement. For example, the airline industry is expected to and have contributed to the alleviation of environmental impacts, investment in development renewable energy, nature conservation and charitable donations for children and/or military veterans in need (Becken, 2006).

The airline industry has implemented cause related marketing (CRM) to contribute to sustainable development. In CRM, companies promise to donate a certain amount of money to charities when customers purchase its products/services (Nan & Heo, 2007). In CRM, as one of their major corporate social responsibility (CSR) activities, companies often collaborate with nonprofit organizations in order to gain mutual benefits. CRM has been progressively used with the increasing customers' interest in social issues (Bigné-Alcañiz, Currás-Pérez, Ruiz-Mafé, & Sanz-Blas, 2012; Cone, Feldman, & DaSilva, 2003). Successful CRM benefits the brand by generating CSR image (Bigné-Alcañiz et al., 2012) and enhancing brand image (Polonsky & Speed, 2001). For example, WestJet gave Christmas gifts to people in a community in need, located in one of the resort destinations where the airline flies, which increased bookings by 77% and revenue by 86% (Krashinsky, 2014).

Importantly, successful CRM has a positive influence on customer behaviors, including customers' better attitude toward the brand (Nan & Heo, 2007), greater purchase intent (Lafferty, 2007) and customer citizenship behavior (CCB) (Lii & Lee, 2012). Consumers' CRM involvement then is a key dimension for successful CRM (Broderick, Jogi, & Garry, 2003) as their involvement state strongly influences the consumption decision