

An Important Marketing Way- Cause Marketing and TOMS

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## 1. Introduction

The purpose of this research is to discuss the effect of TOMS' marketing strategies on consumers' behavior of buying products. The reason why TOMS' marketing can make a great impact on customers is mainly because of its cause marketing that arouses people's kindness. In this news, "The 5 P's of Social Entrepreneurship", conducted by Red Jacket (2014), it infers that social enterprises not only need be able to earn profits but also need to own power and ability to change society. It states that TOMS Shoes is a perfect example of business mode combine with innovation. In "Wearing TOMS' shoes to change the world, TOMS' founder sharing society enterprise experiences" (2015), this UDN news points out that TOMS brings strong effects to the whole world. TOMS has already donated over three thousand and five hundred million pair of shoes to over seventy countries in which children need help. Blake Mycoskie, the founder of TOMS, also is invited to Taiwan to deliver a speech and share the brand's touching background, successful business mode, and how to solve social problems through social enterprises' experiences, etc. The ex-president of the United States of America, William Jefferson Clinton, praised for Blake Mycoskie is "the most interesting founder." The scope of TOMS keeps expanding and progressing ranging from the selling shoes, glasses, and further to coffee products. TOMS produces more and more different kinds of products for every

customer around the world. TOMS Shoes and TOMS Eyewear both have 19 stores in Taiwan, and it will keep expanding. Therefore, TOMS definitely is one of the most significant and successful companies around the world.

## **2. Literature Review**

There are so many companies all over the world, so it is more and more difficult to manage a company and let a company become successful. A successful company always needs to make up by several elements, for example, marketing, innovation, creativity, and so on. Jay Baer, who is a famous American marketing consultant, speaker, and also the author of the New York Times bestselling book, says that "Make your marketing so useful people would pay you for it." Another well-known author, Simon Sinek, best known for the concept of "the golden circle" and to "Start with Why", announces that "People don't buy what you do, they buy why you do it." Since there are so many marketing ways, which one is suitable for the company and can make it become profitable?

This paper will discuss why TOMS has become one of the most famous companies, and how it is established, and what image that this company wants to convey. This paper will explore how TOMS markets its product in order to promote the brand and help it generate profits.

First, this paper defines the concept of marketing. Second, this paper introduces

TOMS Company. Third, this paper tells the connection between TOMS and cause marketing. Final, this paper explains what cause marketing is.

### **2.1. Definition: Marketing**

Marketing is a way to promote a brand, product, service, or even a concept.

Marketing can let customers and consumers catch and realize what information a company or an organization wants to let customers know. Marketing makes customers willingly buy, so companies can sell more products to more people. According to Wikipedia, marketing includes many different kinds of concepts, for example, product marketing, brand management, strategy, social marketing, digital marketing, and so on. As Wikipedia states, marketing can also be divided into profit or non-profit marketing. The former's main purpose is to increase product sales and bring profits to the company, and the latter is to use its surplus revenues to further achieve its purpose or mission.

A successful marketing is defined as how a company identifies its target markets and also to understand consumer behavior in order to advertise a product's value to the customers. According to Wikipedia, consumer behavior generally means buying behavior, and buying behavior is usually split into two prime strands: 1) whether selling to the consumer, known as business-to-consumer (B2C) and 2) to another business, known as business-to-business (B2B). Besides the concepts, marketing also

includes several promotional contents and promotional media. Marketing seems like a tree, and it has various types. Every type can keep connecting with other relationships, just like tree's roots.

For marketing, when dealing with different products, price, places, promotion, customers, it usually will need different marketing studies, strategies, or use different technologies. Like music, marketing can also be mixed, and two or several marketing types can be used at the same time. Marketing seems simple; however, it is very complicated.

## **2.2. The Unusual Company- TOMS**

It is very difficult to enter into a well-established market space and further to well develop a new business field. However, that is exactly what TOMS did when it entered the shoe industry in 2006.

Blake Mycoskie, the founder of TOMS, got the idea for his company when he was on vacation in Argentina. According to Sarah Mcnew (2013), while Blake Mycoskie was volunteering, "lots of children were unable to attend school and were constantly plagued by feet-borne parasites and other illnesses (*"Social Media Breakdown: TOMS Social Media Marketing"*, *"SocialToaster"*)." Therefore, Blake Mycoskie had the thought of this company (*"Social Media Breakdown: TOMS Social Media Marketing"*, *"SocialToaster"*). Moreover, the company's name comes from the

word, “tomorrow”, the founder’s original concept that “shoes for tomorrow.” This original concept lets people feel that everything is hopeful.

TOMS, the company’s name, is known for its famous concept of comfortable shoes. TOMS can become so successful because it is very good at social media marketing. According to Sarah Mcnew (2013), the chief product officer in SocialToaster, she analyzes four sections, including content quality, audience engagement, innovation, and thrill factor.

First, content quality includes TOMS’s Facebook, Twitter, Instagram, and Pinterest, and everyone can use these platforms to know the latest news or products immediately, or share things with whole world. All these TOMS pages have many followers. Second, audience engagement means that the company tells everyone or lets everyone know what activities or important information the company wants to do. This marketing puts everyone’s mood together and helps everyone to feel that he or she is a member. Third, innovation is the beginning of a new thing. TOMS has launched and opened many new things, and it creates a new company world. Fourth, thrill factor means to make people excited while wearing, putting on, or shopping TOMS, and TOMS really knows how to get its fans excited about both its products and its charitable initiatives.

As Sarah Mcnew concludes, TOMS is indeed a social media marketing pro,

TOMS can promote socially conscious of fashion and bring the trendy shoe styles to different groups of ages. TOMS is not just a shoe company. It is an inspirational and perfect example to show that a company can be profitable and successful while simultaneously making the world become a better place.

### **2.3. The Connection of Cause Marketing and TOMS**

MaryEllen Tribby is the proud founder and CEO of Working Moms Only.com, which is the world's leading media company for the empowerment of the working mom and MaryEllenTribby.com, the home of her groundbreaking IMag, The CEO's Edge. MaryEllen is also a highly sought-after business consultant, speaker, and author. According to one of MaryEllen's articles (2013), "These Shoes Ain't Just Made for Walkin'", she mentions that TOMS is a leader in the "cause marketing" world. She has consulted for several of the largest cause marketing clients in that "world" for the last couple of years, and she not only knows a little about that; she whole heartily embraces it.

MaryEllen explains that cause marketing refers to a type of marketing that involves the cooperative efforts of a "for profit" business and a non-profit organization for mutual benefits. Cause marketing differs from philanthropies, since the latter generally involves a specific donation, e.g.) tax deductible. Otherwise, cause marketing is a marketing relationship that is not necessarily based on a donation.

Besides cause marketing, MaryEllen points out that TOMS still uses many of the same marketing tactics that every company uses in business today, including traditional media, for example, regular ads as well as having celebrities who wear their TOMS in photo-ops.), social media e.g., (Blogs, Facebook, Twitter, YouTube), and events, including people of all ages, races, and geographic areas.

#### **2.4. Definition: Cause Marketing**

The most relevant concept of cause marketing is Business for Social Responsibility (BSR). Cause marketing and BSR are inseparable. According to Marconi (2002), Business for Social Responsibility was founded in 1992 and is a membership organization made up of companies seeking to sustain their commercial success. Their companies celebrate respect for ethical values, people, communities, and the environment. Through the Marconi's explanation, people can realize basic information about what BSR is.

BSR aids companies to deliver positive images and impressions; therefore, BSR is very significant to a company. Moreover, building a connection between customers and important causes or issues is the key to help companies do well in BSR, and it is called cause marketing. According to Marconi (2002), "cause marketing is the action through which a company, a nonprofit organization, or a similar entity markets an image, a product, a service, or a message for mutual benefits." If a company's cause

marketing is successful, it will bring lots of profits to the entire society. Most companies usually take a certain percentage of the profits to contribute to and support social issues or causes.

If companies can combine their products which appeals and involves causes or issues, it will not only increase a buying trend but also upturn the whole company's achievements. Marconi cites Richard Earle, who draws on a number of sources that includes the advertising Council for his 1999 book *The Art of Cause Marketing*. Earle demonstrates that sixty percent of Americans who were surveyed said they would buy first from a company that backs up a cause they support. In other words, most consumers will be more willing to buy a product in coordination with a cause or issue. People usually also have more good impression on companies they believe which have something to make the world become better. Besides, cause marketing brings impacts on consumers, so cause marketing also affects employees in the companies. Marconi reports that ninety percent of employees involved in a cause marketing program say that feel proud of their connection with the company. Thus, through these examples, people can further know that a complete and successful cause marketing can bring revenues to the company and promote its reputation.

However, there is an important point which people can usually get confused.

Although cause marketing associates companies with cause, or stands for something

that the companies want to assist; however, cause marketing is definitely not the work, similar to charity organizations or fundraising activities. Cause marketing is never a simple thing. On the contrary, it is complicated. There are still some companies around the world to have a great achievement on charity and money-making, and TOMS is the famous one of successful companies.

### **Summary**

This literature review is divided into four sections. The first section defines the definition of marketing. The second section introduces the unusual and successful company- TOMS. The third section shows the connection between TOMS and cause marketing. The last section states about cause marketing.

The research questions for this study are:

1. Why do people buy TOMS' products?
2. How many women and men buy TOMS' products?
3. Does one's income influence customers to buy TOMS' products?
4. What are differences in attitudes toward cause marketing between students and workers? Which one will be more likely influenced by cause marketing?

### **3. Methods**

#### **3.1. Research Participants**

There were fifty survey participants. I gave my parents, brother, friends, and classmates to help me do the survey, and they also gave the survey to their friends. First, the participants were five males and forty-five females. Second, thirty-two of them were at the age around 21 to 30 years old, thirteen of them were at 31 to 40 years old, and five of them were at 41 to 50 years old. Third, there were nine participants who graduated from senior high schools, and the rest of them graduated from universities. Forth, twenty-nine of my participants' monthly incomes were under twenty thousand, and the others were among twenty thousand to fifty thousand. Finally, half of my participants were students, and the others worked in different companies. The total number of participants was fifty. The reliability of this survey, as determined by the Cronbach's Alpha, was 0.953.

#### **3.2. Research Design and Procedures**

The survey used for this study was adapted from Huei-ying Fang, Kao at Yuan University, "A Study of the Effect of Consumer Awareness and Cause – Related Marketing on Purchase Intention – Taking Leezen Company as Example." The original survey of this thesis was similar to mine. We both focused on the marketing way- cause marketing, but a different brand. The original author discussed about

Leezen, but I discussed about TOMS.

There were 26 questions in my survey, and I divided it into five parts. The first part was a brief introduction about TOMS, 4 questions in second part, 11 questions in third part, 7 questions in fourth part, and 4 questions in last part.

At the very beginning of the survey, it was a short introduction about the purpose of this survey and my personal information. The first part was about TOMS' brief file, to let my participants know this brand more. Part 2 were questions about participants' personal information, but the occupation was left as a blank for participants to fill out. Part 3 were questions about consumers' understanding about TOMS, containing product acknowledgement, value consciousness, price consciousness, and quality consciousness. This part could realize how participants knew and felt about TOMS. Part 4 were questions about cause marketing which was also the most important part of this survey. In order to let my participants know about cause marketing, I added a brief explanation about cause marketing on the top of this part. This part explained that cause marketing was important to consumers and would further influence a brand or not: how consumers agreed this marketing strategy and how they thought about social responsibility of marketing. At last, Part 5 was about consumer's buying willingness. Thus, I could know my participants would keep supporting and buying TOMS' products or not. At the end of the survey, I reserved a thank you note from the

original to express my thanks to my participants.

## **4. Findings**

### **4.1. General Trends and Patterns**

The mean of the entire survey was 3.69 and SD was 0.74 (M=3.69, SD=0.74).

The highest ranked questions were “TOMS’ cause marketing activities have positive educational meanings.” and “I think TOMS’ cause marketing activities have function of getting feedback to the society.” The means of both questions were 4.26, and SD 0.72. The lowest ranked question was “Whatever TOMS’ products price will cost, I will still buy them.”, and the mean was 2.46, and SD was 1.07. When participant data were categorized by students and workers, an independent sample t-test did not revealed statistically significant variation ( $p=0.53$ ).

### **4.2. Variations in Cause Marketing Impact on TOMS Across Groups**

#### **4.2.1. Group 1: Students.**

The group 1 was students. The mean of the entire survey of group 1 was 3.76, and SD was 0.71 (M=3.76, SD=0.71). The highest ranked question was “Cause marketing of TOMS has positive educational meanings.”, and the mean was 4.28. The lowest ranked question was “No matter how TOMS’ products will cost, I will still buy them.”, and the mean was 2.48.

#### **4.2.2. Group 2: Workers.**

The group 2 was workers. The mean of the entire survey of group 2 was 3.62, and SD was 0.78 (M=3.62, SD=0.78). There were two highest ranked question: “I agree with TOMS’ cause marketing operating concepts” and “I think TOMS’ cause marketing activities have function of getting feedback to the society.” The means of these two questions were 4.28. The lowest ranked question was “No matter how TOMS’ products will cost, I will still buy them,” and the mean was 2.44.

### **5. Discussion**

The section discusses three important results. First, students and workers both prefer to buy products influenced by cause marketing. These people are glad to buy products which are related to cause marketing because they have an idea that they make some contributions to society and help people who are in needs. According to the study, both of students and workers agree with positive effects of cause marketing. Both of them agreed with operating concepts of cause marketing. They believed that activities or products with cause marketing contained good educational meanings and could also attain the aim of getting feedback to the society. This attitude is referred as Business for Social Responsibility (BSR), defining as a brand that conveys positive impressions to customers (Marconi, 2002). Customers would think that if their buying can make the world become better, no matter how much effect they can bring, and

they are pleased to make some good influence. Therefore, the products with cause marketing strategies can raise these customers' motivation and inclination to buy.

Second, although the products with cause marketing will increase these people's motivation to buy products, the price cannot be too high for both students and workers. These people are willing to buy products which can help some people at the same time; however, they need to consider what to buy and how much to pay by taking in their financial abilities into consideration. This study showed that both students and workers could not accept TOMS products if they were too expensive. They might choose TOMS product rather than other brands if the price was the same. However, if the price was too high, they would not afford it. This marketing concept is referred as marketing and buying behavior. If product's fixed price is high, it needs more promotional contents and media to support it. Therefore, products need strong social media marketing, containing content quality, audience engagement, innovation, and thrill factor (Mcnew Razzaque, 2013). Consequently, to let customers trust and consent to buy products at a higher price, products need more special traits to make a product price more appealing. Otherwise, a product loses its attractiveness to convince customers' willingness to buy.

Third, in this study, the number of female participants was larger than the male ones. Female respondents know TOMS more than males. Females paid attention on

TOMS, which could be that they go to department stores or do on-line shopping more often than males. They can have more chances to know about different brands. When distributing this study to males, many of them told me that they did not know about TOMS so that they could not help me do the survey. This infers that most of the female participants knew about TOMS, and almost all of them had one or more shoes bought from TOMS. Hence, because they recognize TOMS as a brand, females may get to know more about cause marketing and TOMS.

## **6. Conclusion**

The paper describes and analyzes why cause marketing is important and how it affects TOMS to become a worldwide company. As mentioned by MaryEllen (2014), who has consulted for several of the largest cause marketing clients in that “world” for the last couple of years, she pointed out that TOMS is a leader in the “cause marketing” world. Many of the same marketing tactics that TOMS uses that are used by many companies in the field of business nowadays.

Overall, the results are categorized into two parts. First, this study indicates that cause marketing that makes TOMS different from other companies and affects customers’ willingness to buy products. In this study, students and workers are both influenced by cause marketing, and both of them have a very positive perspective about it. Due to one’s good impression of cause marketing on TOMS, this image

brings lots of customers. This can represent that cause marketing is a successful marketing way that deeply brings the positive effects to TOMS. As mentioned by Marconi (2002), people are pleased to buy products with cause marketing way since they will think that they do some contributions to this society through their efforts and abilities, and they will also have a sense of accomplishment and happiness at the same time. Second, this study shows that cause marketing really plays a significant role that influences customers' motivation to buy products or not; however, purchase intention is related to one's financial abilities. This can represent that customers agree with the cause marketing's concept, but a product price is a dominating factor to determine what to buy. As analyzed by Mcnew Razzaque (2013), a successful company needs to make their products appealing with a strong social media marketing, content quality, audience engagement, innovation, and a thrill factor. Thus, the product's price cannot just be based upon cause marketing, and the sale of a product will still be influenced by other factors.

This analysis should be noted two points. First, this study has been primarily concerned with students at Wenzao and workers from Wenzao students' families. Second, most of these participants were females. I am a university student at Wenzao which I can access and contact students at any time, and they can also help me to express questionnaires to their friends and families, which is convenient. Therefore,

participants of this analysis were limited and small.

## 7. References

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[7.html.](http://www.huffingtonpost.com/maryellen-tribby/these-shoes-aint-just-mad_b_403037)

## 8. Appendix: The Questionnaire

親愛的受訪者，您好，我是文藻外語大學的學生，目前正在做專題研究。

這是一份學術性問卷，目的在探討願意購買 TOMS 產品的消費者，其消費者認知及善因行銷對購買意願影響之研究，您的回答將對學術界產生莫大的貢獻，因此期盼您能撥出寶貴時間填答。本問卷採「不記名」方式，您所填答的資料僅供學術研究之用，絕不會對外公開，請您放心填答。在此由衷感謝您在百忙之中參與，並向您致上最誠摯的謝意。 敬祝 身體健康 平安順心

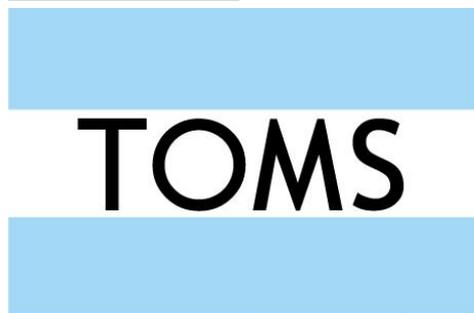
文藻外語大學四技部 英文系四年級 C 班 學生：顏子雁 敬上

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指導老師：黃苡蓁老師

### 第一部分：TOMS 檔案

#### TOMS LOGO：



One for One

成立：2006 年

創辦人：布雷克·麥考斯基

產品：鞋、服飾、眼鏡

- ✓ TOMS Shoes 提倡舒適度第一，且採用環保材質
- ✓ 包裝也使用再生紙，是個非常環保的品牌
- ✓ 雖然環保舒適但同時兼具時尚，讓歐美明星們也成為其愛用者
- TOMS 其實是明日(tomorrow)的縮寫  
指「今日所買的一雙鞋是給予明天的」  
也就是 TOMS Shoes 的「One for One」精神  
至今，TOMS 已經捐出超過一千萬雙鞋子給超過 60 個國家中有需要的小朋友，  
這樣的商業模式，讓捐助能持續下去……

### 第二部分：個人基本資料

第二部分：個人基本資料，共有 4 題，請在適當的選項中打勾。

1. 性別：男 女      職業：\_\_\_\_\_ (自行填寫)
2. 年齡：21~30 歲 31~40 歲 41~50 歲 50 歲以上
3. 教育程度：高中(職) 大學(專) 研究所以上
4. 您的個人月收入：20,000 元(含)以下 20,001~50,000 元 50,001~80,000 元 80,001 元以上

### 第三部分：消費者認知

第三部份：消費者認知，共有 11 題，請依據您對 TOMS 產品的感受回答下列問題，在右邊適當答案方格內打「✓」，依此類推。(單選)

	非常不同意	不同意	無意見	同意	非常同意
<b>產品知識</b>					
1. 我可以辨識 TOMS 產品和其他品牌的差異性。	<input type="checkbox"/>				
2. 我認為 TOMS 產品的認證商標可信任。	<input type="checkbox"/>				
3. 我認為 TOMS 的產品是環保的。	<input type="checkbox"/>				
4. 我會蒐集 TOMS 產品的相關資訊，來瞭解這品牌的風評。	<input type="checkbox"/>				
5. 我希望購買 TOMS 的產品能獲得別人的認同與稱讚。	<input type="checkbox"/>				
<b>知覺價值</b>					
6. 購買 TOMS 產品讓我感到愉快幸福。	<input type="checkbox"/>				
7. 我認為 TOMS 產品是物超所值的。	<input type="checkbox"/>				

知覺價格					
8. 我認為 TOMS 產品的價格是合理的。	<input type="checkbox"/>				
9. 同價位的產品，我會選擇購買 TOMS 的產品。	<input type="checkbox"/>				
10. TOMS 產品的價格，就算昂貴我也會購買。	<input type="checkbox"/>				
知覺品質					
11. 我覺得 TOMS 產品的品質是優秀實在並有吸引力的。	<input type="checkbox"/>				

#### 第四部分：善因行銷

第四部份：善因行銷，共有 7 題，請依據您對 TOMS 產品的感受回答下列問題，在右邊適當答案方格內□打「✓」，依此類推。(單選)

※ 善因行銷活動是企業承諾消費者在購買產品後，便捐出一定的金額或產品給依其指定的非營利機構，以善盡企業的社會責任，例如當 TOMS 每賣出一雙鞋時，將會提供一雙免費的鞋子、全新的鞋子給需要的孩童；當 Toms 賣出一對眼鏡時，一部分的利潤將會用於保護與恢復開發中國家人民的視力。Toms 以「One for One」登記為他們的商標，來形容他們自己的商業模式。

	非常不同意	不同意	無意見	同意	非常同意
認同度					
1. 我認同 TOMS 善因行銷的經營理念。	<input type="checkbox"/>				
2. 我會參與並支持 TOMS 的善因行銷活動。	<input type="checkbox"/>				
3. 在購買產品的評估上，我會優先選擇善因行銷的產品。	<input type="checkbox"/>				
4. TOMS 的善因行銷活動具有正向的教育意義。	<input type="checkbox"/>				
社會責任					

5. 我認為 TOMS 是重視社會責任的企業。	<input type="checkbox"/>				
6. 我認為 TOMS 善因行銷活動是熱心公益的表現。	<input type="checkbox"/>				
7. 我認為 TOMS 的善因行銷活動有回饋社會的作用。	<input type="checkbox"/>				

### 第五部分：購買意願

第五部份：購買意願，共有 4 題，請依據您對 TOMS 產品的感受回答下列問題，在右邊適當答案方格內□打「✓」，依此類推。(單選)

	非常不同意	不同意	無意見	同意	非常同意
1. 我願意購買 TOMS 的產品。	<input type="checkbox"/>				
2. 我認為 TOMS 的產品值得購買，也會推薦給朋友。	<input type="checkbox"/>				
3. 我會持續購買 TOMS 的產品。	<input type="checkbox"/>				
4. 我會購買 TOMS 相關企業的產品，例如：眼鏡、服飾等。	<input type="checkbox"/>				

※ 本問卷到此結束，請檢查是否漏填，再次感謝您熱心的協助與耐心填答，讓

此份研究更完整，謝謝，祝您萬事如意!