Alignment between Brand & Religion: Does it exist?

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Abstract. Religion is one of the most important source of beliefs and values, which play a pivotal role in shaping behavior, while its implications particularly for consumers’ psychology remain nascent. Grounding on Social Exchange Theory (SET), this study will address the impact of antecedents on brand loyalty in the presence of religiosity. For the purpose, total 460 consumers responded to the survey questionnaire. Based on Structural Equation Modeling, the study found that religious values play a major part in shaping consumer’s brand loyalty and develop theoretical linkages in previously neglected area. As regards practical implications of the study, managers can make better customer engagement programs like involving them in social causes. Study also highlights some future avenues.

KAUJIE Classification: P1, H21, H22, G24
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INTRODUCTION

Cause-related marketing can also be seen as an indication of arrangement of firm’s altruistic and illuminated business interests. Fundamentally, it is more like a marketing technique which endeavors to accomplish two goals-enhance performance of corporations, and help social causes by connecting raising money (charities) to assist a social cause to the purchasing of the company’s services and products. Demonstration of the marketing push of cause-related marketing programs is that commitments to philanthropy originating from an organizations’ cause-related marketing program, do not originate from its normal magnanimous establishment spending plan (philanthropic foundation budget). Instead, part of the
marketing budget that typically would have been consumed for publicizing is rather reserved for commitment to a cause in the interest of those consumers who are the ultimate source of revenue generating activities with the organizations in accordance to the terms of trade as set by the organization (BusinessWeek, 1982).

Brand loyalty has a critical significance as an indicator of the performance of a brand (Barwise & Farley, 2004; Pappu & Quester, 2016; Petersen et al., 2009). Hence, the way it’s developed is of huge importance in the management of brand (Brexendorf, Muhlmeier, Tomczak, & Eisend, 2010). It also has been generally contemplated in the field of marketing (Pappu & Quester, 2016). One of the biggest determinants of the brand loyalty is brand trust (Chaudhuri & Holbrook, 2001; Ganesan & Hess, 1997; Morgan & Hunt, 1994; Pappu & Quester, 2016). Studies in brand loyalty literature are adopting more integrative strategy; however, due to limited endeavors to consider the job of identifying the customer with the brand for shaping loyalty towards brand, He, Li, and Harris (2012) referred to the social personality viewpoint of consumer-brand connections and recommended that purchasers might participate in positive brand related behaviors since they relate to the brand or organization. He et al. (2012) allude to the satisfaction of customer and perception of value in developing loyalty and trust among customers, ignoring the significance of shared values. At the point when shoppers distinguish themselves with brand they don’t recognize themselves with just its attributes and personality; however they unequivocally connect themselves with values of the brand; or else, environmental concerns and the corporate social responsibility (CSR) would not be of the most astounding significance in worldwide businesses (Lee & Carter, 2011).

The concept of CSR has deep roots in Islamic Shari‘ah. In Qur’ān (57:11), Allah tells mankind that whatever is given in His name is a debt that He shall repay. According to this verse, Muslims are bound by their religion to do good for the society. Same, rather more elaborative, commandment is given in Qur’ānic verse 2:177. Since Muslims derive their values from Islam, so religious people are likely to be attracted to the brands which are perceived as socially responsible.

Consumers’ values are shaped by various aspects of society. And their attitude towards a brand or organization is a derivative of all those aspects combined together. Of many such aspects, religion plays the most important role. Most of a person’s values come directly from religion even if one may not be great practitioners. Another such aspect is the opinion of people whom the consumers adore and follow. This study will look into both these factors to see how they affect consumers’ perception of brands and how it affects their attitude towards brand. No work has been done on this particular aspect of religiosity and brand loyalty. Most notable study on the brand-religion alignment is Stolz and Usunier (2019) which studies the impact of religiosity on pro-environmental consumer behavior. Hence it provides a substantial area for research.

**LITERATURE REVIEW**

**Cause Related Marketing (CRM) and Perceived CSR**

CRM is another idea which reflects the corporate social responsibility. The idea was con-
ceived in late 1980’s and one of the most earliest definitions as given by Varadarajan and Menon (1988): "Cause-related marketing is the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives". Cause-related marketing can be characterized as firm’s pledge to specify a portion of money to help not-for-profit firms or to other social tasks when clients buy its products (Nan & Heo, 2007).

Cause-related marketing is likewise characterized as a limited time action of a firm in which a societal or magnanimous reason is embraced, generally together with its services and products as a package or tie-in’ which enhances the image of a company as socially responsible organization (Idowu, Capaldi, Zu, & Gupta, 2013).

The tussle and dilemma about how to differentiate a product or brand from others is not only in the mind of marketers, but also in the mind of consumers, as the features which were once used as a decision making tools are losing their credibility and distinctiveness (Singh, 2016). Marketers are now eyeing for a share of consumers’ inner lives, their values, their beliefs and their souls. Brands are now being evaluated on moral, legal and ethical fronts as well. We are in the era of triple bottom line performance where brands represent not only the products or services a company provides, but its beliefs and characters as well. CSR is at the center of these developments because of its important contribution and continuous participation in brand building exercises. Consumers now want their favorite brand to be more socially aware and ethically fit (Aitchison, 1999).

Positive orientation of youth toward CRM is a motivating sign for the brands focusing on this segment. Brands can enjoy an edge over their competitors by doing CRM provided the cause is perceived positively and the donation size is justifiable to the target. Motivation of organizations for doing CRM is well accepted, but a balance between premium charged and percentage contributed should be maintained so that a win: win situation exists (Singh, 2016).

Cause Related advertising as defined by (Berger, Cunningham, & Kozinets, 1999) is the one which communicates company’s charitable efforts to the market place and emphasized that cause inclusion in cause Related advertising as defined by (Berger et al., 1999) is the one which communicates company’s charitable efforts to the marketplace.

According to Singh (2016), when asked if consumers can recall any such campaign, over 54% of the respondent said they could recall one or more campaigns. And when asked how they perceive a brand associated with cause related marketing, 78% said it’s altruistic and is good, provided their past experience with the brand is positive. This shows that cause related marketing works and has an impact on consumers’ perception of how socially responsible an organization is. Thus, the researchers hypothesize:

**H1**: Cause related marketing has a positive impact on perceived corporate social responsibility.

**Perceived Corporate Social Responsibility and Brand Loyalty**

A few studies have discovered that the CSR affects brand loyalty (He & Li, 2011; Marin,
Ruiz, & Rubio, 2009). Consumers can play a crucial role when it comes to promoting an organization’s brands. Studies demonstrate that when consumers relate to an organization, they will in general buy and suggest the organization’s services and products more (Ahearne, Bhattacharya, & Gruen, 2005; He & Li, 2011). Ferrell and Hirt (2000) characterize CSR as the corporate conduct with regards to the fulfillment of business morals which incorporate corporate commitments and duties to society. Vogel (2007) likewise proposes that corporate social responsibility is an expansion of business morals and the executives’ ethical quality that ought meet lawful directions, as well as react to pressure from public and the expectations of society. In this way, corporate social responsibility could manage businesses’ ethical standards to keep up the benefits of all the stakeholders of the organization. A few researches on CSR (Maignan & Ferrell, 2004; Maignan, Ferrell, & Ferrell, 2005) inspect linkages of corporate social responsibility with business marketing, proposing that when an organization fulfills its CSR, that firm greatly enhances its corporate image, in this way enhancing the performance of firm. Sweetin, Knowles, Summey, and McQueen (2013) demonstrated that the customers managing socially reckless corporate brands are bound to rebuff and less inclined to be compensated. Salmones, Perez, and Bosque, (2009) contemplated the effect of CSR perception (thinking about financial, legitimate, moral and social perspectives) on the general assessment of the products/services and brand loyalty. Vlachos, Tsamakos, Vrechopoulos, and Avramidis (2009) overviewed 830 arbitrarily chosen versatile telecom clients from Greece with the end goal to explore whether purchasers’ view of CSR motives impact their assessment of CSR endeavors, uncovering that appropriately spurred CSR activities emphatically influence trust, and in turn, loyalty of customers, paying little mind to the firm’s performance on the provision of service quality. Ali, Rehman, Yılmaz, Nazir, and Ali (2010) researched 250 young consumers of telecommunication organizations from Pakistan with the end goal to break down the linkage between Brand loyalty and perceived corporate social responsibility. Thus, the researchers hypothesize:

H2: Perceived corporate social responsibility has a positive impact on brand loyalty.

Moderating Role of Celebrity Endorsement

In the most recent decade, there has been a huge increment in the measure of Celebrity Endorsement (Boyd & Shank, 2004). Celebrities all over the world i.e. motion picture and TV stars, lawmakers, professional athletes, organizations, artists and the military personnel have been utilized by firms to endorse their products (McCracken, 1989). Studies have demonstrated that the essential reason behind famous people supporting brands is to emerge from the messiness of ads that are circulated these days (Bhatt, Jayswal, & Patel, 2013; Roy, Gammoh, & Koh, 2012). The other likely advantages of celebrity endorsement to brands is to incorporate the capacity of celebrities to pick up and hold the attention of the customers either because of recognition or on the grounds that they are appreciated. Celebrities are additionally capable to endorse because of their credibility, to give proficient tributes on products that could be seen to have added to their effective careers (Boyd & Shank, 2004). There are numerous irregularities in the literature about the most essential measurements for a successful celebrity endorsement (McCracken, 1989; Roy, 2012). A few researchers argue
that dependability is more vital, some argue that expertise is much more vital, while others argue that the engaging quality of the celebrity is the most critical factor. In Pakistan, Imran Khan being the captain of the team that won country the cricket world cup 1992, and one of the most cherished celebrities around the cricketing world, raised millions of dollars to establish Shaukat Khanum cancer hospital in Pakistan. This goes to show that celebrities can play a huge role in bringing awareness towards social issues and when these celebrities associate themselves with a cause, their fans not only become more aware of it, but also start caring for it. So companies can increase their CSR perception by using celebrity endorsers in their cause related marketing campaigns. Thus, the researchers hypothesize:

H3: Celebrity endorsement moderated the relationship of cause related marketing and perceived CSR.

Moderating Role of Religiosity

Religious activities assume a vital job in individuals’ lives through forming their convictions, information and state of mind. It is the religion which commands allowed and prohibited things, which impact the purchaser’s utilization choice. For instance, beef is restricted in Hinduism, while in Islam it isn’t taboo. The utilization of pork is precluded in both Islam and Judaism, while it is followers of many other religions consume it. As a result, religion impacts what purchasers have faith in, what they like, and what they detest.

Among researchers, Margolis and Walsh (2001) and Orlitzky, Schmidt, and Rynes (2003) undertook extensive surveys of the literature, and found that the market remunerated companies’ social exercises. CSR would thus be able to be viewed as an effective administration procedure (Baron, 2003), and could be a critical factor in the organization’s prosperity. It is to be noted here that values related to CSR are very well matched with the values of the mainstream religions like Islam and Christianity. Rather, every religion emphasizes on doing good for the society one lives in. For example, in Qur’ān Allah the almighty commands Muslims to spend for the welfare of others before while they are still alive. If they don’t do so, they’ll regret it on the Day of Judgment and ask Almighty for another chance at life so they can spend more in charity and be among righteous. The Holy Qur’ān, 63:10.

Similarly, in Ḥadīth Prophet Muhammad (PBUH) recommended charitable deeds and emphasized on them frequently. For example: Prophet (PBUH) instructed Muslims to spend in charity as a means to escape calamities-(Al-Tirmidhi, Ḥadīth; 589). The Prophet (PBUH) also said that charity will bless believers on the Day of Judgment (Al-Tirmidhi, Ḥadīth; 604). He cherished the good deeds for the society by regarding all acts of goodness as a form of charity (Sahih Muslim, Ḥadīth; 496).

All of this goes to show just how much Islam emphasizes on charitable giving and doing good services to the society. These values are not limited to Islam only. Other religions also emphasizes on taking care of the society one lives in. For example Christianity teaches same thing. In Bible there are several verses telling people to do good for society and people living around. Charity as a debt to Lord that will be repaid by Him. And instructs people to be kind and generous towards needy.

Same is the case with Buddhism. Tai Hsu was a Chinese Linji Chan Buddhist priest who
proposed a precept that came to be designated "humanistic Buddhism." Tai Hsu was a pioneer reformer whose thoughts refocused Chinese Buddhism far from customs and resurrection and toward tending to human and social concerns. Tai Hsu impacted new ages of Chinese and Taiwanese Buddhists who extended humanistic Buddhism into a power for good on the planet. Humanistic Buddhism roused the Vietnamese priest Thich Nhat Hanh to propose engaged Buddhism. Various companies work effectively with engaged Buddhism; for example, the Buddhist Peace Fellowship and the International Network of Engaged Buddhists.

Hinduism also teaches its followers similar values. For Hindus, giving (dana) is an essential piece of one’s religious obligation (dharma). Dharma has a wide assortment of implications, for example, unceasing law, obligation, behavior, conduct, ethical quality and nobility. Every individual has a dharma towards family, society, the world and every living thing. Dharma should be seen inside the system of the customary broadened Hindu family, which assumes the job of a welfare state. The riches an individual secures isn’t only for him/herself; however for the welfare of the more distant family and others. One has a duty towards those individuals from one’s family who can’t look after themselves. In a few conditions an individual may have no choice yet to surrender or trade off his/her own objectives for the family. To put it plainly, ’giving’ starts at home yet reaches out past home.

The notable Hindu book the Bhagavadgita discusses three kinds of giving: i) "A blessing that is given with no desire for gratefulfulness or reward is gainful to both provider and beneficiary; ii) A blessing that is given reluctantly and with the desire for some preferred standpoint is destructive to both supplier and beneficiary; and iii) A blessing that is given with no respect for the sentiments of the beneficiary and at the wrong time, thus embarrassing the beneficiary, is again hurtful to both supplier and beneficiary." (Bhagavadgita 17.20-22).

Above literature goes to show how every mainstream religion teaches its followers to be generous in helping others to make the world a better living place. They have not only taught their followers the CSR related values, but also emphasized on their importance and made them compulsory for every believer. These values, similar to those of CSR, have the same motivation behind them. Based on this literature we can argue that the organizations that are viewed as socially responsible by religious people can enjoy higher levels of brand loyalty from them as a reward for what they do for the society. Thus: the researchers hypothesize: H4: Religiosity moderates the relationship between perceived corporate social responsibility and brand loyalty.
METHODOLOGY

Population of the study includes all those people who identify themselves with some religion. A sample size of 460 was surveyed. Study used 8 item scale of Glavas and Kelley (2014) to measure Perceived CSR. Brand loyalty was measured using items from the work of Yoo and Donthu (2001). Celebrity endorsement was measured using the scale developed by Kumar (2011). Study used 6 item scale of Vitell, Paolillo, and Singh (2006) to measure religiosity. Scale covered both Intrinsic and Extrinsic dimensions of religiosity.

Before the main survey, pilot testing of 200 individuals was conducted. Confirmatory factor analysis was applied in order to check validity of scales. Cronbach alpha was used as a measure of reliability. Study employed SEM for data analysis since it is a better technique in case of sequential model with multiple IV’s and DV’s (Nachtigall, Kroehne, Funke, & Steyer, 2003). Point of concern in SEM is goodness fit of model and direct and indirect effects. For goodness fit, different criteria are used which include goodness fit index, adjusted goodness fit index, RMSEA and chi sq/ d.f. For all of these criteria it is the value of factor on which these criteria depend, which decides whether the model is good fit or poor fit. In case of direct and indirect effect (i.e. regression) point of concern is estimate and its p value. Hypothesis is accepted if p value is less than 0.05.

Analysis of Data

Results of Normality Tests

All the values of Skewness and Kurtosis were found close to the threshold level (< 2 / -2) of normality distribution criteria. Considering the criteria proposed by George and Mallery, (2010), we found data set as normally distributed.
Correlational analyses were used to examine the relationship between variables of the study. Results indicated positive and significant relationship among the variables. Cronbach’s alpha values that ranged from 0.712 to 0.922.

Results of Hypothesis Tests

Impact of CRM on PCSR is positive and significant at 0.001, while an increase in CRM by 1 unit causes an increase in PCSR by 0.897 unit. Impact of PCSR on BL is positive and significant at 0.001 wherein an increase in PCSR by 1 unit causes an increase in BL by 0.954 unit.
Impact of CRM on PCSR is positive and significant at 0.001, while an increase in CRM by 1 unit causes an increase in PCSR by 0.468 unit. Impact of CE on PCSR is positive and significant at 0.001; an increase in CE by 1 unit causes an increase in PCSR by 0.757 unit. CE moderates the relation between CRM and PCSR; an increase in 1 unit causes PCSR by 0.191 unit. Impact of PCSR on BL is positive and significant at 0.001, wherein and increase in PCSR by 1 unit causes an increase in BL by 0.925 unit. Impact of R on BL is positive and significant at 0.001; an increase in R by 1 unit causes an increase in BL by 0.122 unit. R moderates the relation between PCSR and BL, wherein an increase in 1 unit cause BL by 0.104 unit.

Graph 1 shows that increase in Cause Related Marketing did not result in increase in Perceived CSR when Celebrity Endorsement was low. But when celebrity endorsement increased, increase in cause related marketing resulted in increase in perceived CSR. Hence,
CE strengthens the positive relationship between CRM and CSR.

![Moderating role of religiosity](image)

**FIGURE 3.** Moderating role of religiosity

**DISCUSSION AND CONCLUSION**

The results in Table 3 indicate that the use of cause-related marketing (CRM) enhances company’s perception of social responsibility, which is in line with the results of Singh’s (2016) study. And this perception of CSR enhances brand loyalty in Table 3. Studies conducted by He and Li (2011), Marin, Ruiz, and Rubio (2009) also exhibited the similar results. This shows that consumers can be an asset when it comes to promoting an organization’s brands. When consumers relate to an organization, they will in general buy and suggest the organization’s services and products more. Results also indicate a significant impact of the moderators in Table 4. Studies by Bhatt et al. (2013), Roy et al. (2012), Boyd and Shank (2004), McCracken (1989) and Roy (2012) showed moderation of celebrity endorsement, which is in line with results of this study. Likely advantages of celebrity endorsement incorporate the capacity of celebrities to pick up and hold the attention of the customers either because of recognition or on the grounds that they are appreciated; celebrities are additionally capable, because of their believability (Fig. 1). Moderation of religiosity in Fig. 1 is also in line with the literature.

This study contributes towards paving the way for understanding the importance of social existence of organizations. This is of great importance because people these days are more sensitive towards social issues and appreciate the organizations working for the improvement of society. Also, the study sheds light on the relationship of religion and organizations. Religious dimensions of markets were ignored for a long time, but now organizations are realizing their importance and are catering to their needs. As such, this study provides a valuable insight as to the incorporation of religion in marketing strategies to ensure success of marketing strategies. This study would open new doors for the researchers studying religion
and brands. It would help them look at the concept of religiosity from a completely different angle and would bring to life another dimension of religiosity by involving brand.

This study also carries significance towards practice. Knowing the results of this study, brand managers would be in a better position to make strategies regarding their brands and their management. Managers can make better costumer engagement programs like involving them in social causes and making use of their cultural and religious values. By doing this, managers can make costumers feel that the brand is more relevant to them. These feelings of costumer will eventually translate into positive changes in consumers’ behaviour, and positive attitudes of persons in life like emotional attachment to and high loyalty to the brand. It means that if these strategies are properly executed by the brand managers, brands could become highly profitable and organization’s success in the long term could be ensured.

The interpretation of the findings of this study should be considered with several limitations. First, in terms of demographics, the results may moderately represent, but not be generalized to the whole population, considering that the sample is younger and more educated than the general population. Also the data was taken from Pakistan which is a Muslim majority country; so it is quite limited with respect to the diversity of religious customers as there were very few respondents from other religions.

Also, the results of this study may be biased due to self-reported measures. In behavioral research studies, the self-report bias is likely to be present because respondents provide the data for both the predictor and the criterion variables in the same measurement context using the same item context and similar item characteristics. Respondents can unconsciously or consciously skew their answers to present themselves in a certain way because respondents often try to maintain consistency in their responses to similar questions.

Future research can focus on other aspects of religion which may coincide with the social causes. Also, researchers can, in future studies, broaden the sample of the study and include equal number of customers from every religious group. They may also choose sample from different cultural groups, and study how various cultural values affect their attitude and behavior towards socially responsible activities.

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