

WHITE PAPER

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Partnership Group – Sponsorship Specialists™

Why Consumers Buy

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The 2012 Good Purpose survey was released recently. The global PR firm Edelman recently released its Canadian survey. It clearly showed that brands that have "big hearts" are on the right track toward getting the attention of consumers. When it comes to sponsorship and sponsorship marketing, doing the right thing is as important as letting everyone know you are doing it. It is through the messaging of what you are supporting that you ensure your ROI from a sponsorship is positive.

Though his survey really looks at "doing good" from a philanthropic perspective, I believe it is also relevant when it comes to sponsorship marketing. Truly, if a company wanted to support a cause for the sake of the cause, it would have no desire to let people know it is doing good. When it comes down to it, companies want people to know they are doing good. They want to sell their stocks and their products. Highlights of the 2012 Consumer Sponsorship Rankings™ will be released at the SMCC Western Sponsorship Congress™ in Calgary on October 16, 2012 and will have a much deeper and focused review of sponsorship trending from a consumer perspective on brands specifically, as well as selling properties. Together, these two studies deliver some important data for sponsorship buyers and sellers.

The Good Purpose annual survey, which is conducted in 16 countries among 8,000 adults, explores global consumer attitudes around social purpose. It found that 70% of Canadians are more likely to recommend a brand that supports a good cause than one that doesn't-an 18% jump since 2007. In addition, 69% of respondents would help brands promote their products or services if there are good causes behind them-a 23% jump since 2007.

While Canadians have reduced the amount of money they contribute to charities, "they still feel a responsibility to give back," said Jennifer Meehan, vice-president and national practice lead for consumer marketing at Edelman in Toronto. "And with the rise of companies actually incorporating social purpose into their DNA, there's a rising expectation among consumers." Meehan said consumers are "using the checkout line as a way to do good."

Some key findings:

1. 62% of those surveyed are buying brands that support good causes at least yearly, with 45% saying they do so at least monthly.
2. 53% of Canadians are personally involved in supporting a good cause, compared to 60% of respondents globally.
3. 67% of Canadians trust a company that actively supports a societal issue, while only 19% trust a company that does not.
4. 84% would be more likely to give their business to a company that supports good causes and has fair prices than a company that simply offers discounts.

5. 89% believe that business needs to place at least equal weight on society's interests as on business' interests.

6. 49% said businesses should create new products or services that help address a societal issue.

"There are a breadth of opportunities for brands to find ways to give back to society and [figure out] how that would fit in the brand and what resonates with Canadians," said Meehan. "And the positive thing is, 80% of Canadians say it's okay for brands or companies to make money, as long as they're giving back."