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# **Review Article: Benevolent Marketing in Sport**

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**ABSTRACT:** In recent years, with regard to market competition, the use of different strategies to compete in the market and its survival is important, and companies use a variety of methods to gain market share from consumers. One of these methods, which are nowadays considered by enterprises, is to support various activities and charity marketing. Benevolent marketing is a new marketing strategy that has not been limited to current and conventional methods for competitive advantage and requires more complex factors such as a sense of friendship and desire. This marketing style has had a significant impact on business as well as in corporate and community-based institutions. Benevolent marketing has also played a major role in boosting sales and corporate reputation, and the number of companies that support humanitarian activities is growing vastly. In this regard, the use of modern methods of marketing and the advantages which consumers are able to purchase the product which they have humanitarian operations there, they feel their sympathy for the difficulties and problems of society can be a big impact on increasing the company's customers and following is the profitability of the company. Therefore, the purpose of the research was to examine the theoretical foundations and research that has been done with regard to benevolent marketing.

Keywords: Benevolent Marketing, Customer, Profit.

# **INTRODUCTION**

Benevolent marketing is a new marketing approach, according to which an economic firm committed to the participation or allocation of a part of the proceeds from the sale to a good, often in a given time period, for a particular product and for a specific matter. In this marketing approach, an enterprise usually participates in a charity whose goal is to increase sales for a specific product and also to finance a good (Keller, 2003). Most researchers point to the start of charity marketing in the 1983 American Express campaign. This year, the American Express company announced that for every one-time use of a credit card a cent and for the purchase of any new credit card, a donation of \$ 1 to the restoration of the Statue of Liberty, resulting in American Express's 28% increase in the use of cards Compared to the same period of the previous year, the card holders achieved significant growth. In this program, the company contributed \$ 1.7 million to the Statue of Liberty to the Ellis Island Foundation (Lee & Ferreira, 2013). This successful implementation provided the ground for the rapid growth of this kind of marketing, although American Express first formally named the name of this marketing strategy, but benevolent marketing has already been used. For example, in 1976, Marit and Marche Diamond Charity co-sponsored a charity marketing

campaign that greatly enhanced the awareness of the non-profit organization and helped Marit Entertainment's breakthrough record. The first definition of benevolent marketing was provided by Varadarjan and Menon in 1988, they defined charitable marketing as a process of planning and implementing a marketing activity, characterized by offering a proposal from an economic firm to allocate funds to a good specified in when customers engage in a monetization exchange that meets both personal goals and organizational goals.

According to this definition, in charitable marketing, the company pays a certain amount to a charity or a nonprofit organization in return for each transaction. In fact, a charity-marketing strategy for achieving business goals has been designed by supporting a public or charitable program. It can be said that benevolent marketing is a kind of "strategic philanthropy" or, as it is known, "a way to work well while working fine". In general, benevolent marketing can be said to come from terms such as social marketing and general marketing, although sometimes social marketing terminology and benevolent marketing are equated with each other, some scholars believe that there should be a distinction between these two. Benevolent marketing seems to raise the position of a market in business, while social marketing attracts attention without any promotion or promotion to a social problem.

Also, the sectors involved in benevolent marketing are interdependent and the activities are also speculative. But in social marketing, "the use of marketing principles refers to the concepts and tools of social change". Social marketing campaigns are often planned by nongovernmental organizations and are associated with major marketing issues such as public health, human rights and the protection of deserts. They are not profitable and usually include "product marketing" because social marketing campaigns try to reduce the consumption of products such as cigarettes, alcohol, or fast food. They are struggling to protect the marketing campaigns of companies that work for the sale of these products. In fact, the goal of social marketing programs mainly affects consumer behavior in a way that is useful to society (Roy & Chau, 2011). The organization expects the implementation of a charity marketing strategy to have an impact on consumer behavior, especially shopping behavior. The success of this strategy lies in the presence of socially sensitive consumers who use their buying behavior to help the community. Therefore, the purpose of this study was to investigate the theoretical and research foundations that have so far been devoted to benevolent sports marketing.

## **Benevolent Marketing Components**

Usually, when it comes to marketing, the first thing that comes to mind is that on the one side of the marketing campaign, there is a company that actually runs marketing programs for its products or services, and on the other hand, there are other audiences or customers exposed to this marketing. But the charity marketing mechanism and components are slightly different from traditional marketing concepts. Benevolent marketing is an activity through which a nonprofit or similar company pays for a product, service, message or image to profit from mutual trading. Therefore, benevolent marketing is a social contract between a company and a nonprofit organization in order to promote a product or service of a company and the benefit of a nonprofit organization, or, in other words, simultaneous promotion of a product and a reason for multiple benefits. In that, the achievement of marketing goals through an independent entity is possible, and the main goal is to create a long-term relationship between the company and the target audience. In fact, linking a product or service to one cause is a way of gaining value that allows individuals (consumers / customers) to help their peers, and these product, cause, and customer relationships are valuable and in this respect everyone is the winner. Benevolent marketing is a winning-winning scenario in which the firm is a charity and customer organization. All three benefit in turn (Truong et al., 2009).

### **Examples of Benevolent Marketing**

In mature markets such as the United States and the United Kingdom, an increasing number of consumers tend to be companies that have positive socio-cultural influences, has obtained at the results of recent surveys:

- Mine polls show that in the last 15 years, almost 85% of American consumers have a positive image of companies that support social challenges. Even in difficult circumstances, more than half of consumers expect companies to support social challenges.

- Even during the 2009 economic record, 38 percent of Americans went under the expense of social awareness-raising activities.

- According to the Ipsos Murray poll, most English consumers (93%) have asked companies to improve the social impact of their products and services (Rashid, 2015).

However, there are also examples of benevolent marketing, such as the LG Football Cup, the benefits of which were awarded by LG to the earthquake-stricken Bam. Another notable example is the "A with Hat" project with the

motto "A like water, a like training", which was carried out by Damavand mineral water companies. In 2007, the company founded a new partnership based on benevolent marketing by donating part of its revenue from selling mineral water bottles to UNICEF Iran to fund girls' education projects.

Companies need to be critical to social challenges and engage in solutions. In the United States, important social issues include health, privacy, and unemployment owing to outsourcing to other countries. This challenge has been around for years and everybody knows, yet no one expects the company to solve all the problems overnight. Marketing in the third-generation marketing sector is not just about making a change, but it is necessary, with the cooperation of other companies, to seek out creative ways to solve problems.

# **Benefits of Benevolent Marketing**

Faced with the loss of variety in product prices and promotions, saturated markets and shorter product lifecycles, companies are struggling to reinvigorate their brand by communicating with ethical or social causes. This allows them to distinguish themselves from competitors and empowers their brands (Rashid, 2015). In other words, benevolent marketing is the injection of reputation in the company brand. In fact, the main reason why organizations use benevolent marketing, brand promotion (popularity) and popularity among the community is to provide a good opportunity to improve the company's social status.

## **Benevolent Marketing Injuries**

Although there are many benefits to benevolent marketing, one should not be unaware of the risks and injuries. It should be noted that the features that support benevolent marketing can have an impact on the image. Sometimes, the weak link between the company and the cause imposes irreparable blows on the company. This would allow customers to "buy money from the misery of others" as a whole. If short-term improvements to support the matching between brand and cause are also not appropriate, it will lead to failure in brand building on the desired path. Therefore, damaging the credibility of a cause or problem may be affected by a person's inappropriate perception of the company's brand. Of course, special attention should be paid to benevolent marketing risks such as the disparity between charity (non-profit organization) and the company, customer misconduct and the possibility of creating a dark picture from a nonprofit organization in the mind of the customer (Boo et al., 2009). Another reason for failing to test causes is the lack of matching between the vision of the marketing team and the voice of the target audience. They states that if benevolent marketing is not executed correctly and with precision, it may also be damaged. Benevolent marketing strategy, there is always a narrow boundary between increasing sales and showing a good corporate image with a negative propaganda of the firm and accusing it of exploiting a social problem.

# DISCUSSION AND CONCLUSION

The purpose of this study was to investigate the theoretical and research foundations on benevolent marketing in sport. According to a survey, few studies have been done on benevolent marketing so far. For example, Aqaeifar (2011), in an article on the effect of benevolent marketing of consumer goods on brand and brand intention, showed that benevolent marketing has a positive impact on consumer brand purchasing, and this effect on women's attitudes toward the brand was more than men, but the assumption of the behavioral difference between men and women in the intention to buy a brand was not endorsed by benevolent marketing.

Also, during the research, 89.3% of the respondents were responsible for the economic entities questionnaire regarding social and environmental problems. Finally, the most well-known and trusted organizations of charity were identified and introduced to benevolent marketing firms. The results of the research confirm the fact that benevolent marketing is a good tool for improving the attitude of the target market towards the brand and making it intent on buying. Iranian buyers are also responsible for economic entities in relation to social and environmental issues, and are prepared to encourage them to use their purchasing power to answer such questions. Ebrahimi and Mansouri (2013) in a research entitled "The Impact of Brendan's Image Implication and Quality of Service on Marketing", "Relationship and Behavioral Behaviors of Customers" showed that brand image and quality of service had a direct and significant effect on marketing.

Also, the impact of brand image and service quality on customer perceived value was confirmed and the effects of marketing dimensions on customer behavior tendencies were also significant and positive. Haddadinia et al

(2012) investigated the effect of familiarity with brand and product type on customer response to benevolent marketing. The results showed how the interaction between familiarity with brand and product type could affect customer responses to good marketing promotions. The type of product and brand awareness has been proven to affect consumer responses.

Also, the findings of this study showed that consumer-friendly responses to benevolent advertisements were rarely implemented even in the area where benevolent marketing had previously been implemented. Soltaninejad (2014) studied the role of mediator of brand awareness and corporate image in the relationship between charitable marketing activities and customer buying. Indeed, this study examined the impact of benevolent marketing activities on customer willingness to purchase, considering the role of mediator of brand awareness and corporate image. The results of the research showed that benevolent marketing activities have a positive and significant effect on brand awareness.

Also, brand awareness has a positive and significant effect on customer willingness and marketing activities to have a beneficial effect on the image of the company. In addition, the company image had a positive and significant impact on the willingness to buy the customer. Finally, it became clear that awareness of the brand and image of the company in the relationship between charitable marketing activities and the willingness to buy a customer has a mediating role. In general, benevolent marketing is, in fact, the commitment of an enterprise to the participation or assignment of part of the proceeds from sales to a good, and often in the stated time, it happens for a particular product and for a specific good. In this marketing approach, an enterprise is usually involved with a charity whose purpose is to increase sales for a particular product, as well as to secure the ownership of the good (Keller & Richey, 2006). An important part of marketing strategy is charity in the field of marketing communication. The main goal of marketing strategy marketing is to improve the buyer's attitude towards the brand and persuade him to buy (Bloemer et al., 1998).

## **Conflict of interest**

The authors declare no conflict of interest

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