



Product innovation and cause-related marketing success

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A conceptual framework and a research agenda

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Abstract

Purpose – The purpose of this paper is twofold. First, the authors aim to identify all the product- and brand-related factors that promote cause-related marketing (CRM) success. The second part of this research aim is, to undertake a product innovation theory application into the context of CRM, examine the degree and nature of its theoretical and practical consonance, and develop an integrated conceptual framework for CRM success.

Design/methodology/approach – The paper is conceptual and incorporates and interrelates the findings of existing CRM research as applied within the context of corporate social responsibility (CSR). Specifically this paper accumulates the state of prior wisdom on CRM success through the identification of several product- and brand-related success factors, based on a systematic review of the literature. In doing so, it introduces the concept of product innovation as a CRM success factor and integrates those distinct fields into a conceptual framework.

Findings – The authors develop an integrative framework and a propositional inventory that represents a consolidated foundation for the systematic development of a theory for successful CRM strategies, along with the integration of product innovation within the field of CRM.

Research limitations/implications – Towards this direction, the objective of this study is theory construction rather than theory testing. Thus, much work remains to be done in terms of empirically testing our research propositions. In conclusion, this paper posits a set of research directions designed to enable scholars to further advance the integration of product innovation and CRM from both problem-driven theory development as well as theory-driven practice management perspectives.

Originality/value – The value of this paper accumulates the state of prior wisdom on CRM success, a notion with increasing use by corporations in recent years. Furthermore, this paper appears to be the first of its kind to examine, from the theorist perspective, the dynamics implied by synthesizing these, so far, distinct concepts. Additionally, the research adds appreciable value to academic knowledge on the fundamental discussion of the bidirectional relationship between CSR and innovation, also contributing an analogous CRM success framework to the existing wisdom.

Keywords Corporate social responsibility, Product innovation, Success factors, Cause-related marketing

Paper type Conceptual paper



1. Introduction

Over the past two decades, corporate social responsibility (CSR), has been largely recognized as a core element of corporate strategy in the global economy, thoroughly

researched by scholars and extensively exploited by enterprises as a businesslike tool that cultivates sustainable competitive advantage (Larson *et al.*, 2008; Vlachos *et al.*, 2009; Grbac and Loncaric, 2009; Demetriou *et al.*, 2010). Moreover, CSR's significance on a global scale has become even greater, principally because of investors' losses, reputational damage to listed companies and the financial scandals such as Enron, Parmalat, etc. (Becchetti *et al.*, 2007). From the aforementioned corporate lapses that violate societal expectations and damage brand-corporate image, the need for practical CSR initiatives accrued, mainly because it offers a global brand insurance and enhances positive corporate reputation (Werther and Chandler, 2005). Besides that, it is evident that a strong CSR generates and ameliorates the trusting relationship between the multinationals and their stakeholders, a fact that results in strengthening customer loyalty (Torres *et al.*, 2012). In addition, CSR strategies are very important in the contemporary environment, due to the current economic crisis that afflicts businesses globally. An environmental variable that demands from businesses to apply different marketing strategies that strengthen the relationship with their customers and create customer loyalty, benefits that align with the aforementioned advantages that accrue from a successful CSR strategy, especially from the cause-related marketing (CRM) perspective.

Towards this direction, it is also significant for companies applying CRM practices to have a holistic understanding of the underline factors that cultivate CRM success, because even if the benefits that derive from CRM campaigns are well documented, unsuccessful CRM campaigns could cause negative results to the corporate reputation of both the for-profit organization and the partner charity (Demetriou *et al.*, 2010; Tangari *et al.*, 2010). However, despite this fact, factors leading to the success or failure of CRM practices implemented by for profit organizations, have not been documented or explored in a methodologically broader way (Grau and Folse, 2007; File and Prince, 1998; Larson *et al.*, 2008; Moosmayer and Fuljahn, 2010). Consequently, in order to fill this gap there is a need for research in order to identify those factors that have a direct impact on the success of CRM practices and how they could be applied so as to create a successful CRM index for marketing practitioners. Continuing, innovation is widely regarded as a dominant source of competitive advantage in an increasingly dynamic environment (Dess and Picken, 2000; Tushman and O'Reilly, 1996). According to management and marketing scholars, innovation prowess is the most significant coefficient of firm performance (Mone *et al.*, 1998). However, from the thorough review of the CSR literature, there is no research study to conjoin innovation with CRM success.

The aim of this research is to develop an integrated conceptual framework for successful CRM practices, based on a systematic review of the existing literature. In addition, apart from the existing factors that are related with the product and the brand and promote CRM success, the authors aim to introduce a new CRM success factor in terms of product innovation. In doing so, several research propositions will be generated in order for the framework to be tested in the future and then adjusted accordingly in order to create new knowledge and thus, to contribute both to marketing theory and practise.

Towards this aim, the authors consequently synthesize an integrative framework of seven CRM success factors and divides them into two main categories, according to their area of influence: brand-related variables and product-related variables. The theory behind this framework is based on MacInnis (2011) directions of framework development. In addition, within the caption of CSR, the authors consider the potential effects of CRM as a measurement tool of its success in terms of two

perspectives: financial perspective and corporate perspective. Moreover, a propositional inventory has been developed and segregated into two stages, in order to determine the causal relationship between the two categories of CRM success factors with the two perspectives of CRM success on the one hand, and to assess if there is an inter-relationship between the factors from each of the two categories on the other hand.

In conclusion, this paper reports our analytic journey from our initial research design, through iterative analysis, to final theory building. Thus, the structure of this paper is as follows. First, the authors review the CRM literature, and identify systematically the main factors for successful CRM campaigns. Second, we continue with the development of the conceptual framework and research agenda. This stage is divided in four subsections. First we define the perspectives of CRM success and we continue with the identification and development of the research hypotheses that derive from the existing literature. Afterwards, we refer to the literature of product innovation and develop the hypothesis regarding the effects of product innovation on the success of CRM campaigns. Lastly, we introduce the baseline model with a figural representation. In the final chapter, we induce theoretical and practical implications and discuss wider directions for future research.

2. Literature review: CSR and CRM

In today's business society, CSR is an expeditiously expanding theme and is being recognized globally as a cardinal long-term business strategy (Barone *et al.*, 2000; Vlachos *et al.*, 2009; Lev *et al.*, 2010; Winterich and Barone, 2011). Towards this direction, a rapidly growing number of enterprises are expending millions of dollars in social responsibility gambits (Strahilevitz and Myers, 1998; Luo and Bhattacharya, 2009). In 2007, companies bestirring in the USA, invested approximately \$15.7 billion in the non-profit sector, without regard to the economic crisis that characterizes the global economy (Lev *et al.*, 2010). Furthermore, continued growth in this area is expected as a result of the fruitful outcomes experienced by major organizations in their CRM practices (Lichtenstein *et al.*, 2004; Vlachos *et al.*, 2009; Lev *et al.*, 2010; Winterich and Barone, 2011).

To start with, a thorough and systematic review of the literature on CSR revealed that researchers focused on two preponderant perspectives: on the one hand is the normative one which is characterized by the notion of doing good for the sake of doing good, and on the other hand is the enlightened self-interest perspective which is the business case in which companies are doing good as a tool for enhancing their profitability levels. The last perspective of CSR is also known as CRM, which, according to Krishna and Rajan (2009), it focalizes on a specific cause that is linked with a company as a whole or with a specific product or service of the enterprise. Continuing, antecedent CRM literature has focused on two dimensions: corporate-level CRM and product-level CRM research.

The origins of CRM can be traced back to 1983, when American Express supported the Statue of Liberty's restoration via donations based on card usage and uptake (Mescon and Tilson, 1987). From an academic view, CRM, was first stated by Varadarajan and Menon (1988) as a joint-transaction framework resulting from the amalgamation of product and donation through the partnership between a remunerative company and a non-profit organization. This coalition promotes gains and interests for both parties. Furthermore, in their seminal research work on CRM, Varadarajan and Menon (1988, p. 60), provided a comprehensive conceptual examination of CRM and defined it "as 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". Later, Andreasen (1996), extended the purport of CRM using the condition that increasing product sale for the organization concomitances with fundraising for the non-profit organization. Any marketing activity promoted by the firm and the non-profit organization can be considered as a CRM activity as long as it has a direct or indirect impact on sales' boost (Andreasen, 1996).

In a simple wording, CRM is a marketing strategy that conflates organizational charity, fundraising for a non-profit organization and social responsibility, for the purpose of furthering the profitability of an enterprise (Ross *et al.*, 1992; Strahilevitz and Myers, 1998; Walsh, 1999; Brønn and Vrioni, 2001; Gourville and Rangan, 2004; Larson *et al.*, 2008; Folse *et al.*, 2010; Zdravkovic *et al.*, 2010). During the last decade, due to the fruitful outcomes it has, CRM faced the fastest growth than any other sponsorship practice in the USA, with average annual growth rates that outgo 12 per cent (Koschate-Fischer *et al.*, 2012). As a result, several enterprises operating in various industries within the US market, have applied CRM practices that connected them with various social causes and spent almost \$1.55 billion in 2009 (Robinson *et al.*, 2012; Koschate-Fischer *et al.*, 2012). Thus, CRM became a significant marketing tool (Robinson *et al.*, 2012; Koschate-Fischer *et al.*, 2012).

However, unlike traditional corporate philanthropy, CRM practices do not accrue from philanthropic budgets. On the contrary, marketing practitioners choose to participate in cause marketing campaigns rather than in other promotional strategies (Barone *et al.*, 2000; Larson *et al.*, 2008; Vlachos *et al.*, 2009). This paper focuses on CRM from the perspective of the for-profit organizations, where the aim is to ameliorate business performance and coinstantaneously support worthy causes (Varadarajan and Menon, 1988; Barnett, 2007; Larson *et al.*, 2008).

3. Conceptual background and hypotheses development

3.1 Perspectives of CRM success

An important aspect of the proposed theory development is the measurement of the level of success that the identified factors offer towards CRM practices. In an earlier review of the literature, the authors identified two perspectives that comprise the measurement tool of CRM success and they are further analysed below:

Financial perspective: which refers to consumer purchase intensions and the impact on the financial performance of an enterprise that has applied CRM practices.

Corporate perspective: refers to the impact of CRM applied practices on the corporate image and reputation of the company among the consumers.

3.2 Identification and documentation of the CRM success factors

Continuing, from the systematic review of the literature, six product- and brand-related factors that promote CRM success have been identified and further analysed below. In addition, they have been documented in to two categories, namely: brand-related variables and product-related variables. The authors selected peer-reviewed papers that have been published in reputable journals. In addition, we incorporated both conceptual and empirical studies. As regards to the empirical studies, even though they examine the proposed factors for CRM success mentioned in this manuscript,

their research investigates the impact of those factors on only one aspect of CRM success, either on consumers' purchase intentions, or on the corporate perspective. Thus, the authors constitute research propositions for all the identified CRM success factors due to the fact that the concept of success in CRM practices for this study is multi-perspective.

Brand-related variables. This category concentrates all the identified success factors that are relevant with the brand of a CRM campaign. To start with, the first success factor that has been identified from the review of the literature and belongs within this category, is brand credibility. Alcañiz *et al.* (2009), defined brand credibility in the context of CRM as the extent to which consumers perceive that the brand communicates honesty and goodwill in terms of trustworthiness and has the necessary skills and experience to colligate with the specified social cause. According to Varadarajan and Menon (1988) and Webb and Mohr (1998), as cited in Alcañiz *et al.* (2009), this reasoning suggests that altruistic attribution is a pointer which helps consumers to evaluate honesty, sincerity and good faith of the brand's social commitment, and will positively influence the CRM campaign. Broderick *et al.* (2003) seem to agree with Alcañiz *et al.* (2009) and they also highlight the significance of the brand/firm credibility to customers and their overall positive view in CRM campaigns. We therefore expect that:

Proposition 1. Brand credibility is positively related with the success of CRM practices in terms of (a) the financial perspective and (b) the corporate perspective.

In addition, Lafferty and Edmondson (2009), through their research findings identified another CRM success factor, the use of the brand photo ad, which has a positive effect on purchase intentions towards the CRM alliance. Specifically, their study compared two ads, one that portrayed the cause photo and one that portrayed the brand, so as to clarify which design option generated a bigger effect on advertising outcome variables. By comparing two models through a sample size of 495 non-student consumers, the study showed that the brand photo had a bigger effect on purchase intentions than the cause photo. Thus, from the above discussion the following research proposition emerges:

Proposition 2. The use of brand photo ad is positively related with the success of CRM practices in terms of (a) the financial perspective and (b) the corporate perspective.

The third CRM success factor that has been identified by the researchers is prior brand experience. According to Tsai (2009), various scholars found that prior experience (confirmation bias), exert influence in a higher degree than a systematic processing of freshly availed evidence (diagnosticity). Furthermore, some other scholars, such as Nickerson (1998), Johnson (2001), Holbrook *et al.* (2005), Wiley (2005) and Pronin and Kugler (2007), as cited in Tsai (2009), conducted several experiments regarding on how prior experience retrieved from memory, creates impact on responses to persuasion attempts and they found that the power of mental antecedents created by prior experience, influences the rendition of newly availed evidence, which results to unfavourable or favourable responses. Hence, having regard to the concept of CRM, prior brand experience has a greater impact on positive outcomes than a brand that

has recently introduced in CRM activities. These arguments support the following proposition:

Proposition 3. Prior brand experience is positively related with the success of CRM practices in terms of (a) the financial perspective and (b) the corporate perspective.

In addition, one more CRM success factors that emerges from the review of prior wisdom, is brand/cause fit that causes positive impact on consumer choice (Pracejus and Douglas, 2004). In CRM, brand/cause fit originates from multiple sources. A brand could fit with a social cause if both serve a similar consumer base, or fit could be high if a brand and a social cause share alike values. Regarding brand/cause fit, several scholars conducted research that confirm this success factor (Pracejus and Douglas, 2004; Chang and Sen, 2009; Samu and Wymer, 2009). Therefore, from the above discussion we suggest the following proposition:

Proposition 4. Brand/cause fit is positively related with the success of CRM practices in terms of (a) the financial perspective and (b) the corporate perspective.

Product-related variables. The second category documents all the identified success factors that are relevant with the product involved with the CRM campaign. To start with, Chang and Sen (2009), identified a CRM success factor that relates with the product price. Specifically, they studied the impact of high- vs low-priced products on product – cause fit in a CRM campaign, a relation which increases consumers' purchase intentions towards the CRM alliance. They found that when the product price is low, the influences of fit nature are stronger and thus, behavioural intention to purchase increases. Towards this direction, we propose the following proposition:

Proposition 5. The use of low priced products is positively related with the success of CRM practices in terms of (a) the financial perspective and (b) the corporate perspective.

The second product-related factor that has been investigated in prior wisdom and affects not only CRM effectiveness, but also how consumers behave in CRM initiatives, is product type. Specifically, Strahilevitz and Myers (1998) and Strahilevitz (2003), researched the effectiveness of hedonic products vs utilitarian ones, on how consumers respond to CRM practices. They perceived hedonic products as those products which are motivated by the desire for sensual contentment and utilitarian ones as those who are triggered by a basic need. The results showed that hedonic products which are connected with a social cause are more effective than the utilitarian ones, towards CRM success (Strahilevitz, 2003). Similarly, Chang and Sen (2009) investigated the effects of product type with harmful nature and concluded the same results. Thus, from the above discussion, the authors develop the following proposition:

Proposition 6. The use of hedonic products is positively related with the success of CRM practices in terms of (a) the financial perspective and (b) the corporate perspective.

3.3 Product innovation and CRM

The evolution of innovation and the aspect of product innovation. To start with the review of the innovation literature, its origins can be traced back to the era that Latin was not a dead language and it was called “res novae” (Frankelius, 2009). The more modern term “innovation”, was first used by King Edward VI in 1548, and meant something newly introduced. Thus, from the etymological point of view, innovation refers to something new with a high degree of originality, in any area, and is introduced to consumers via the market (Frankelius, 2009). Thus, innovation creates value for organizations by developing new products and services, new technologies and new markets (Miron-Spektor *et al.*, 2011; Cui and O'Connor, 2012). Within the pooling of knowledge and management practice about innovation, two major schools of thought emerge: those who deal with product innovation and those who focus on process innovation (Bhoovaraghavan and Vasudevan, 1996). A product innovation typically pertains to an assembled product ready to be sold to a customer, whereas a process innovation enables new products or improved cost/performance attributes in existing products, and is at least one step away from the purchase possibility by consumers (Maine *et al.*, 2012).

In parallel, Chen and Liu (2005) define product innovation as the planning and realization processes that generate or reconstruct a new technological system and supply the needful functions to satisfy the customers' needs. The terminative goal is to provide a solution that can be exploited or accepted by consumers (Chen and Liu, 2005). A more analytical definition of product innovation is given by Dougherty and Bowman (1995) who describe it as a problem-solving process in three domains of activity. The first domain deals with the conceptualization of the product design and then bringing it into existence. This domain also encompasses the interaction with consumers in order to understand performance requirements, development and implementation of new technological advancements for product manufacturing and design evaluation. The second domain concerns organization of work across functions. Furthermore, employees must work out problems between departments and operate in multi-disciplinary teams. The third domain has to do with the linkage between the product and the firm's structure, resources and strategy. Lastly, Cormican and O'Sullivan (2004) describe product innovation as a continuous and cross-functional process involving and encompassing a growing number of various competencies inside and outside the organizational boundaries. Simply stated, it is the process of transfiguring business opportunities into tangible products and services (Cormican and O'Sullivan, 2004). For the requirements of this study, we adopt the definition of product innovation given by Cormican and O'Sullivan (2004).

As far as concerns the benefits of product innovation, every year organizations spend millions of dollars in research and development activities due to the fact that the reputation of those organizations is inexorably associated with product innovation (Henard and Dacin, 2010). In addition, due to the hyper-competition and turbulent environment in today's era, the pursuit of innovation is often vital to achieve competitive advantage, and the best perhaps “the only” way a business can hope to prosper is to innovate (Li *et al.*, 2010). Various studies argue that product innovation enables a company to gain the competitive advantage, establish a leadership position in the market, develop entry barriers, formulate new distribution channels and gain new customers to advance market position. Therefore, product innovation has an important performance implication (Li *et al.*, 2010).

CSR and product innovation. Through the review of the relevant literature, the relation between CSR and innovation was hardly investigated (Bocquet and Mothe, 2011). Only a handful of authors identified a relationship between the implementation of CSR practices and resultant innovative and environmental performance, mainly from a theoretical perspective (Zwetsloot, 2003; Hanke and Stark, 2009; Boehe and Cruz, 2010; Alvarez *et al.*, 2011). In addition to that, empirical research on the integration of these distinct concepts is even fewer and only from the direction of CSR towards innovation (Álvarez *et al.*, 2011).

To start with, Porter and Kramer (2006) argue that CSR can be a source of competitive advantage, opportunity and innovation. Towards this direction, Gómez and Donate-Manzanares (2011) investigated the integration of ethics and CSR in the innovation strategy. The result of this integration is the development of intangible assets for the company, such as reputation, human capital or culture and that this relationship operates in bidirectional; innovation influences CSR and vice versa. However, a limitation of this research, which is also identified by the researchers, is the lack of investigating the financial impact that accrues from this integration.

To continue, Burke and Logsdon (1996), developed a model which analyses value creation via CSR practices. They argue that strategic CSR creates value through products and considers service innovation interrelated to social issues, like the value creation through service and product innovation which is included within the traditional strategy. Therefore, this framework links innovation to social issues and other aspects of the CSR framework. Similarly, Álvarez *et al.* (2011), studied the bidirectional relationship between CSR and innovation and argued that, sustainable enterprises need to adopt innovation in processes and products in order to maximize their efficiency and effectiveness, such as, to increase energy efficiency, minimize the impact of the use of products or services on the environment, etc. Thus, CSR will be a driver of a organization's innovation practices. On the other hand, the companies with the best new products are not coerced to innovate because their customers need no other reason for choosing them, even though they have implemented CSR practices at some marginal level in order to avoid negative counteractions from the markets. In doing so, less innovative firms could differentiate themselves by ameliorating their sustainability behaviour (Álvarez *et al.*, 2011).

In the same vein, McWilliams and Siegel (2001) argue that CSR is an investment in product differentiation that triggers both product and process innovations. Towards this direction, several studies examined the link between innovation and CSR from the environmental perspective, such as Wahba (2008) which examined the link between CSR, in terms of environmental initiatives on the one hand, and innovation on the other hand, and concluded that enterprises involved in strategic CSR practices are able to create radical technological product innovations. However, prior wisdom investigates the relation between CSR and innovation without differentiating between the CSR strategies, such as CRM, which may provide different results when they are interrelated with product innovation. In addition to that, Bocquet *et al.* (2013) argues that prior literature mainly concentrates on the environmental aspect of CSR, an argument that shows the literature failure to investigate the relationship of innovation with different CSR aspects and strategies. Towards this direction, a study conducted by Bocquet *et al.* (2013) supports our assumption of different aftermaths with different CSR profiles and practices when they are related with innovation. Specifically, their findings illustrated that companies with strategic CSR profiles have increased chances of innovating in terms of products and processes compared with companies that apply

responsive CSR practices which alter company's' innovation, and may create barriers to innovation.

Furthermore, the majority of the studies in previous literature, examine the relationship between CSR and innovation as a sole concept or they differentiate by focusing on technological innovation, namely product and/or process innovation. In this paper we differentiate even more and we focus specifically in the relationship between CRM and product innovation, mainly because both innovation and CSR are complex, multidimensional phenomena (Midttun, 2007), and every perspective of innovation might has different results on its relationship with CSR and vice versa.

In addition, Álvarez *et al.* (2011) argue that there is a bidirectional relationship between CSR and innovation and they continue by stating that companies must be innovative in terms of products and processes, so as, for instance, to reduce the negative impact of products or services on the environment, to increase energy efficiency, etc. Thus, innovation acts as a driver of a firms' successful CSR practices. However, even though there is evidence in prior wisdom that innovation is positively related with CSR practices and it can increase the effectiveness of CSR initiatives, such as the creation of environmental products, still it fails to determine the impact of innovation, and more specifically of product innovation, on a specific CSR strategy, namely CRM. Moreover, even though a handful of authors accept the bidirectional relationship between CSR and innovation, unprocurable literature is available mainly in the direction from CSR to innovations (Álvarez *et al.*, 2011). Thus, from the above discussion we propose the following proposition:

Proposition 7. Product innovation is positively related with the success of CRM practices in terms of (a) the financial perspective and (b) the corporate perspective.

Continuing, this factor can be embedded within the aforementioned categories, and specifically, within the product-related variables. Furthermore, with a view to bridge the aforementioned identified literature with the research gaps and to directly asses the inter-relationships between the factors of the category of product-related variables and the factors of the category of brand-related variables, the following proposition is suggested:

Proposition 8. There is a positive inter-relationship between the factors of the brand-related variables category and the factors of the product-related variables category on CRM success.

3.4 An integrative framework

The results from the literature review, along with the interrelation of product innovation with the concept of CRM, allow their elaboration and figural representation through an integrative framework illustrated in Figure 1. Specifically, the framework lists seven success factors that are divided according to their relevance into two main categories that are combined together in order to form the vehicle towards the CRM success.

4. Implications for marketing practise

Even though this paper seeks to tie each of the seven aforementioned factors that promote CRM success together, in order to create a holistic framework, it is important

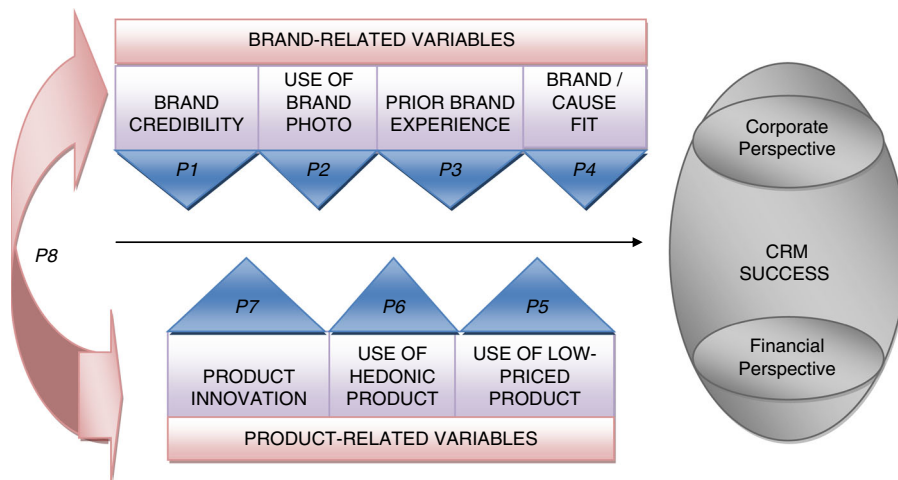


Figure 1. CRM success framework

to analyse how practical this framework is. First, the present conceptual framework represents a standardization that offers marketing practitioners insights into the development and implementation of successful CRM practices. In terms of the financial perspective, money spending towards unsuccessful CRM campaigns will be minimized and companies will gain all the fruitful outcomes that the CRM practice has to offer. This becomes especially significant during the present global economic recession, when organizations reduce their marketing budgets. Furthermore, this conceptualization provides marketing practitioners with a structured and systematic way to think through the design of their CRM campaigns. Moreover, by assessing a company's current marketing orientation, this framework for CRM success may also reveal certain disabling points along with the level of readiness of the firm for each of the categories included. Therefore, the proposed framework could act as a forecasting pattern, a guidance model and such maladies and perhaps low levels of readiness on behalf of the organization can be corrected and improved before the implementation of a CRM campaign.

5. Additive theoretical contributions

This paper advances several streams of research. First, it adds to the growing body of theory on the field of CRM. In addition, due to the growth of CSR and corporate alliances with non-profit organizations, the potential for further research on CRM is clear. However, factors that are related with the brand and the product and lead to the success or failure of CRM practices implemented by for-profit organizations, have not been documented or explored in a methodologically broader way until now (Grau and Folse, 2007; File and Prince, 1998; Larson *et al.*, 2008; Moosmayer and Fuljahn, 2010). To our knowledge, this research is the first that undertakes an extensive and systematic review of the literature, resulting to the identification and documentation of the key product- and brand-related success factors of CRM practice. Furthermore, it is the first time that product innovation is hypothesized as a CRM success factor, and at the same time it appears to be the first of its kind to theoretically examine the dynamics implied by synthesizing these, so far, distinct concepts. Even more importantly, the contribution of this research consists in providing an integrative framework for all

product- and brand-related variables that promote CRM success. In prior research, these variables have been investigated but each in a separate study, leaving the resulting cumulative knowledge disjointed. By weaving these diverse variables together, the present framework gives a holistic picture of CRM success. In addition, these success factors by themselves do not promote CRM success. However, if they are combined together, as it happens in the proposed conceptual framework, the possibility of achieving CRM success increases and it is possible to determine the level of satiation of previous wisdom related with the discussed topic. Moreover, to the best of our knowledge, the proposed framework is the first to discuss a categorization of those variables that promote CRM success and future scholars might find this classification approach utilitarian. In conclusion, this paper introduces a new CRM success framework to existing literature, which constitutes a trail-blazer platform for future research, as it is further analysed in the next section.

6. Limitations and directions for further research

This paper, as with any other paper, is not without any limitations that bring to light avenues for future research. First, this study developed a model for successful CRM practices based on the combination of antecedent papers and by focusing on the identification and documentation of product- and brand-related CRM success factors. Thus, this study can be viewed as a starting point for additional research that needs to be done by the future scholar community, in order to identify other possible factors that promote CRM success and that they could be added into the CRM success framework. Second, the authors conjoined CRM literature and product innovation for the first time, by hypothesizing that the last operates as a success factor for the practice of CRM. However, the authors introduced only one aspect within the field of innovation. Thus, future scholars could investigate the relation between organizational and process innovation with the success of CRM practices. Furthermore, according to Stremersch and Van Dyck (2009), although marketing scholars and researchers often yearn to contribute new knowledge that is applicable to all industries, some of them have unique characteristics that yield specific challenges for marketers and thus, they require industry-specific knowledge development. In that respect, academic research could empirically test the proposed conceptual framework in several industries and adjust it according to the industry's characteristics. Apart from the limitations that have been recognized until now, the current conceptual approach has another limitation when viewed from the cultural perspective. According to several scholars, (Malhotra *et al.*, 1996; McSweeney, 2002), there is a vast amount of literature within each of the management disciplines, which assumes that each nation has a distinctive, describable and influential culture which shapes everything, thus, it is necessary to take into consideration the characteristics of individuals (customers), organizations and societies within a nation or region (Sekaran, 1983; Malhotra *et al.*, 1996; McSweeney, 2002). Therefore, in order for the proposed conceptual framework to be cross-cultural, further research is encouraged to perform replications of this framework in several nations or culture groups, so as to culturally differentiate the proposed CRM framework.

7. Conclusion

In this paper, a thorough and systematic review of the existing literature on CRM has been conducted in order to identify the key product- and brand-related factors that contribute to CRM success. From the review, six CRM success factors have been

identified and documented into two main categories, according to their area of influence. In doing so, product innovation has been related with the notion of CRM and it was hypothesized as an additional CRM success factor, thus, increasing the CRM success factors to seven. Furthermore, seven research propositions have been developed in order to assess the causal relationship between the CRM success factors on the one hand, with the two perspectives of CRM success on the other hand, and one proposition in order to assess if there is an inter-relationship between the factors of the two categories. Even more importantly, this paper provides a starting point for scholar research in a field that is deficient in theoretical and empirical research, and offers marketers a framework to implement successful CRM campaigns, a marketing strategy that is very crucial for businesses in order to overcome the current economic crisis and gain a sustainable competitive advantage. Lastly, the authors hope that this research sheds light on the conceptual dimensions of CRM success and that further research should empirically validate, on a cross-cultural basis, the foundations laid in this paper and accordingly adjust it.

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