

# Research on the Effectiveness of Donation Marketing Taking Erke as an Example

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## ABSTRACT

In this era of frequent natural disasters, companies should seize the opportunity to find new marketing strategies for brand development, fulfill their social responsibilities, and do a good job in donation marketing. The paper analyzes the case analysis of Erke's donations in Henan floods and other donation companies and interprets the application of donation marketing strategies in the event of Erke's donation out of the circle. We find donation marketing has a positive impact on the company's popularity and product purchase rate within a certain period. This article provides a new idea for promoting the development of the company's brand.

**Keywords:** Erke Donation Marketing Brand Image, social responsibilities, Erke

## 1. INTRODUCTION

In the history of human development, natural disasters have often caused shocking damage to human society and caused huge losses to the social economy and living environment. With the vigorous development of modern social enterprises, enterprises have gradually become the mainstay of helping disaster-stricken areas, and this has also become a manifestation of corporate social responsibility. At the same time, public welfare is also an important medium for corporate public relations. When a company enters the market, it will involve relationships with all sectors of society. Many companies even put forward the slogan "Public Relations is the First Productive Force". And participation in donations is undoubtedly one of the best ways to enhance public relations. Therefore, in the face of huge disasters, the help of enterprises can undoubtedly promote post-disaster construction to a great extent, establish good public relations with the public, greatly improve brand awareness and popularity, and allow brands to penetrate the market better. This marketing strategy is essentially a marketing and public relations strategy. In the future development of the company, this marketing method will also achieve greater results.

In July 2021, when floods broke out in Zhengzhou, Henan, China's domestic sports brand Hongxinger was on the Weibo hotlist due to a donation of 50 million yuan. Among them, *Erke's Weibo comments* reached 1.06 billion views. In addition, topics related to short video apps such as Douyin and Kuaishou also remain hot, attracting "wild consumption" by netizens, which has caused sales in live broadcast rooms and offline stores to rise sharply. However, brands such as Xiaomi, Anta, and Guirenniao that also made donations have not received the same attention. After the incident, many articles have discussed whether Erke's donation is a charity or marketing, and analyzed the possible reasons behind the successful marketing and the future development prospects of the company. Although it is still impossible to judge whether the donation is the original intention, there must be a series of public relations methods that are worth learning under such high data.

Because the sample is relatively scarce, there are relatively few papers related to donation marketing through natural disasters in China. Therefore, we choose this field to promote the application and development of donation marketing strategies. This article has two purposes. One is to compare Erke with other related or similar companies and to in-depth study, the relationship between the reasons behind the explosion of the incident

and the corporate brand culture, social focus, consumer psychological identity, and other factors, to derive donation marketing the secret to success. The second is to look forward to the prospects of the company in the application of donation marketing theory.

Our article will use Erke as the main example and some sports brands that donated in the Henan flood, and the questionnaire as the main method of collecting data to study the effectiveness of donation marketing, to verify the hypothesis that donation marketing strategy only has a significant effect in the short term.gs.

The structure of this paper mainly includes literature review, specific research methods, research process, analysis, and conclusions. In the research process table and figure can be divided into three parts Erke donation marketing effect, the effectiveness and long-term development of donation marketing, and the influence of donation marketing on consumer psychology, and use text analysis to verify the conjecture and get the conclusion.

## 2. LITERATURE

We summarize the relevant literature from three perspectives: the concept of donation marketing, the case analysis of Erke, and the research content.

With the development of society and the economy, more and more new marketing methods have emerged to meet the needs of the market. Among them, academic papers are constantly appearing in network marketing, online marketing, and advertising marketing, but related papers on donation marketing are relatively in the academic world. Less, this may be due to the ethical level and the difficulty in distinguishing between subjective and objective intentions. Zhu believes that donation marketing is "donation and return" from the perspective of social ethics and commercial value. At the same time, there is no contradiction, and it reflects a win-win situation, which is worth studying [1]. And Chai mentioned in the paper that public welfare marketing is a comprehensive marketing activity, caring about consumers, caring about the actual actions of the society to arouse the resonance of consumers, and naturally have a good impact on the company to shape The concept of donation marketing with corporate image and the courage to assume social responsibility as its appeal point further demonstrates the benefits of research and application of donation marketing [2].

In the example of donation marketing, Erke, as a leader among them, became popular on major social platforms after the Henan floods donated. It was broadcast separately at 11:55 on July 22, and the total sales amount exceeded 50 million for 34 hours. The business volume of major online sales platforms and offline physical stores continues to increase. Hu stated that the Erke domestic product brand conforms to social

values and relies on its heritage to support it through network effects, disaster resonance, social promotion, and other factors. It has been widely recognized by consumers [3]. China Business Times believes that the logic behind Erke's popularity lies in the "moral dimension" of its charity deeds. It is precise because of the right time node, the accumulated charitable deeds, the suitable promotion platform and time, and the brand culture that conforms to the humanities and ethics so that Erke has accumulated such opportunities [4]. In "Dalian Daily", Yang Xiaomeng mentioned in the article "How to treat the Erke brand becoming popular due to donations" that Erke, as a domestic brand, promoted patriotism in this incident, and insisted on losing money for three years. Large-scale charity reflects the sense of corporate social responsibility and thus gains the emotional recognition of the people [5].

In the popularity of Erke, consumer psychology is also one of the important factors for the success of donation marketing. Skye believes that when a company or brand is linked to a charity event if the two are highly compatible, it will deepen. The cognitive processing process of consumers will also strengthen the brand connection of consumers, thereby generating a more positive consumer response [6]. And Chai believes that companies give back part of their interests to society and carry out various public welfare activities, which not only meets the demand for funds in social public welfare activities but also brings good corporate moral and ethical ideas and concepts. Give to society and improve social morality [2].

## 3. SAMPLE SELECTION AND DATA SOURCES

This article uses the questionnaire method, taking the respondents who participated in the survey questionnaire as the initial sample, and the age distribution is in the range of 14-65 years old. The reason for choosing this sample is firstly that the data of the interviewees is relatively real and highly available, which is convenient for research. Secondly, the survey has a large number of people, a sufficient sample size, and covers a large age range, with strong representativeness, covering all kinds of people. Excluding various invalid questionnaires, 155 valid samples were finally obtained. The data required for the research data in this article is mainly derived from the questionnaire sent on the questionnaire star on August 25, 2021. Some data with obvious abnormalities have been eliminated and corrected. The analysis of the data is processed by excel and IBM SPSS Statistics 26.

**3.1. THE SUCCESS OF ERKE'S DONATION MARKETING**

**Table 1.** The popularity of Erke after donation marketing

		frequency	percentage	Effective percentage	Cumulative percentage
efficient	Yes	152	98.1	98.1	98.1
	No	3	1.9	1.9	100.0
	total	155	100.0	100.0	

**Table 2.** Reasons for the increase in popularity of Erke

		frequency	percentage	Effective percentage	Cumulative percentage
efficient	Understand through the Henan donation event	100	64.5	65.8	65.8
	Understand through Erke related products	52	33.5	34.2	100.0
	total	152	98.1	100.0	
Missing	-3	3	1.9		
	Total	155	100.0		

**Table 3.** Awareness of other sports brands after donation marketing

		response		
		Number of cases	Percentage	Percentage of cases
Apart from Erke, do you know other brands that donated money in the Henan flood? <sup>a</sup>	9(GRN)	62	21.8%	40.0%
	9(ANTA)	62	21.8%	40.0%
	9(Xtep)	39	13.7%	25.2%
	9(361°)	30	10.6%	19.4%
	9(PEAK)	19	6.7%	12.3%
	9(Don't know any)	72	25.4%	46.5%
	Total	284	100.0%	183.2%

a. Use the value 1 to tabulate the two groups.

The table shows the results of the questionnaire. Table1 and Table 2 are for investigating the brand awareness of Erke and the way the respondents understand it. 98.1% of the respondents have heard of or understood the Erke brand, of which 64.5% were donated through the Henan flood, which shows that Erke's donation behavior has greatly increased its influence.

Table 3 investigated the popularity of donations from other domestic brands except for Erke. Of the 155 respondents, 72 (46.5%) said they did not know the donation behavior of the listed brands, and 74.7% of the remaining 83 said they knew GRN. For donations with Anta, the number of other brands such as Xtep and 361 who understand their donations is even smaller. It can be seen that, compared with other brands that donated money in the Henan floods, Erke's donation marketing was more successful.

The donation marketing of Erke is different from the previous marketing. It can be said to be a marketing-

driven by the whole people. Due to the patriotic "personal design" established by Erke's past actions, its declining sales have made generous donations. Aroused the national sentiment and sympathy of the majority of netizens, as well as the trend of domestic products in recent years, netizens have begun to spontaneously promote and promote various kinds of posts and videos. The slight boost from the brand behind can make Erke stand out among many brands. As a new social platform for purchasing, the live broadcast room has a variety of hot topics, such as "wild consumption", which have been spread again, making the popularity even higher. Therefore, this successful marketing benefited from the dividends of the development of the Internet and the promotion of domestic products.

**3.2. Effectiveness And Long-term Development of Donation Marketing**

**Table 4.** People's purchasing power of Erke products after donation marketing

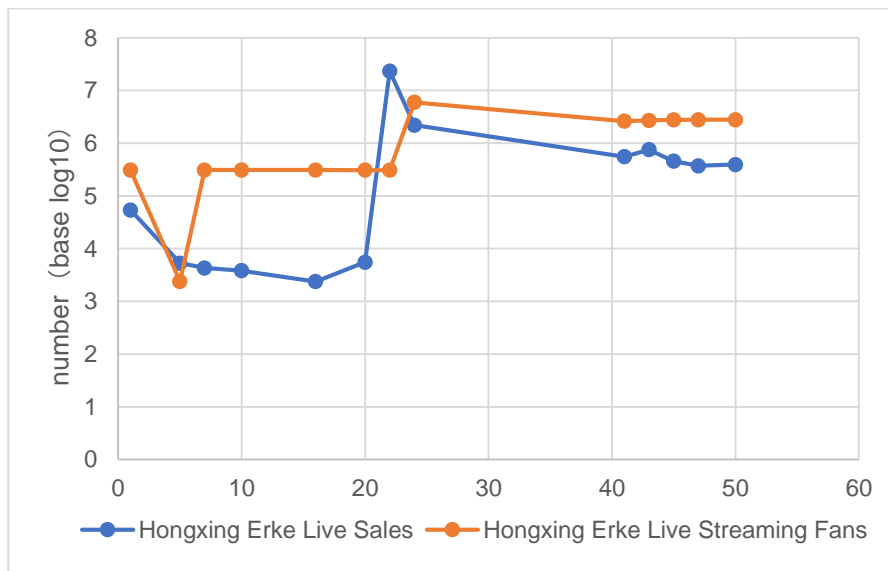
		frequency	percentage	Effective percentage	Cumulative percentage
efficient	yes	53	34.2	34.9	34.9
	No	99	63.9	65.1	100.0
	Total	152	98.1	100.0	
Missing	-3	3	1.9		
	Total	155	100.0		

**Table 5.** People's repurchase rate of Erke products after donation marketing

		frequency	percentage	Effective percentage	Cumulative percentage
efficient	Recognized	81	52.3	53.3	53.3
	I don't recognize it, but I chose to support it because of the donation event	9	5.8	5.9	59.2
	Not approved after use	1	.6	.7	59.9
	Never used, don't know	61	39.4	40.1	100.0
	Total	152	98.1	100.0	
Missing	-3	3	1.9		
	Total	155	100.0		

**Table 6.** The public's attitude towards Erke products in the future

		Frequency	Percentage	Effective percentage	Cumulative percentage
Efficient	Yes	114	73.5	75.0	75.0
	No	38	24.5	25.0	100.0
	Total	152	98.1	100.0	
Missing	-3	3	1.9		
	Total	155	100.0		



**Figure 1.** Erke's live broadcast sales and changes in the number of fans

Table 4 is to understand the respondents' purchases of Erke-related products. Excluding missing values, the results show that only 34.9% of the respondents have purchased related products, while the remaining 65.1% of the respondents have not purchased related products. All said that they have not purchased any related products of Erke. This is in contrast to the attitude of the previous interviewees. Although most people agree and support Erke, most of them have not purchased Erke products. This may be because most people are willing to support Erke, but there are various considerations when they need to spend money, which hinders consumers from choosing Erke's products.

Table 5 and Table 6 are designed to understand the respondents' recognition of Erke's products and purchase

intentions. Excluding missing values, the results show that 53.3% of people have used them. Only 6.6% of the people who approve of its products do not approve, and another 40.1% have never used related products. Among these people, 75% said they would continue to repurchase the products of Erke after they were used, and the other 25% said they would not repurchase. From this, we can see that although Erke's products may not meet the expectations of some interviewees, most of them said that they will continue to buy back products. It is hard not to think of the positive effect of donation marketing on the company's product image. This may be because Erke's donation marketing has established a positive brand image in the public's mind, allowing consumers to ignore

the lack of product quality to a certain extent and choose to support it.

In the data of short video apps such as Douyin, we can find that the period when Erke’s live broadcast sales and the number of fans increased the most between 7.21 and 7.24 and then began to decline sharply. This proves that donation marketing can only be of great help to the short-term sales of Erke products. When the heat is over, the effect of donation marketing will become insignificant. Donating that much money to a cause would increase brand choice probability but not enough to maintain

market share when the competitor offers an equivalent price promotion [8]. In the long run, we still need to improve our product quality and carry out product innovation. By understanding consumers' behaviors and their purchase decision process, organizations tend to have better ideas about how to design effective marketing programs that would appeal to the target market and deliver superior customer value better than competitors [7].

**3.3The Impact Of Donation Marketing On Consumer Psychology**

**Table 7.** People's attitude for Erke "self-loss but also donate money for disaster relief"

		efficiency	percentage	Effective percentage	Cumulative percentage
efficiency	Recognized and willing to purchase product support	110	71.0	71.0	71.0
	Recognized, but unwilling to buy product support	26	16.8	16.8	87.7
	I don't recognize it, thinking it's just a marketing behavior, not worth mentioning	19	12.3	12.3	100.0
	total	155	100.0	100.0	

**Table 8.** The reason people support Erke

		Efficiency	Percentage	Effective percentage	Cumulative percentage
efficiency	Donate 50 million	17	11.0	15.5	15.5
	Donate 50 million even if you lose money	72	46.5	65.5	80.9
	Keep up with the trend, everyone supports it, I also support	4	2.6	3.6	84.5
	Rebellious psychology, the anchor wouldn't let me buy it.	2	1.3	1.8	86.4
	Personal preference (not related to the donation event)	15	9.7	13.6	100.0
	total	110	71.0	100.0	

missi	-3	45	29.0
ng			

**Table 9.** The difference between people's attitudes towards domestic brands and overseas brands

		Efficiency	Percentage	Effective percentage	Cumulative percentage
effici ent	Overseas brands (Nike, Adidas, Puma)	39	25.2	25.2	25.2
	Domestic brands (Erke, Guirenniao, Anta)	116	74.8	74.8	100.0
	total	155	100.0	100.0	

**Table 10.** People's support for different donation brands at home and abroad

		Efficiency	Percentage	Effective percentage	Cumulative percentage
Effici ent	Yes	61	39.4	39.4	39.4
	No	94	60.6	60.6	100.0
	Total	155	100.0	100.0	

**Table 11.** How much people like the following brands ( 1-Nike 2-Addidas 3-Puma 4-Erke 5-Guiren Niao 6-Anta )

Brand	average value	Number of cases	standard deviation	variance
1	3.37	155	1.248	1.559
2	3.17	155	1.268	1.608
3	2.68	155	1.211	1.467
4	3.30	155	1.235	1.524
5	2.57	155	1.258	1.584
6	3.26	155	1.216	1.478
Total	3.06	930	1.275	1.626

According to Table 7, what do you think of the company's "self-loss but also donate money for disaster relief"? In this question, 71% of people choose to recognize and are willing to buy products to support the "company's own losses and donate money" in the face of

disasters. It may be that the behavior of companies conforms to the traditional yearning for the spirit of "sacrificing oneself for others" in the minds of most Chinese consumers, leading to consumers' willingness to support this kind of behavior with practical actions. This

also shows that donation marketing is a marketing strategy that can enhance the company's own reputation and shape its brand image. Firm donation amount had a positive effect on participation intention that was fully mediated by corporate social responsibility(CSR), and the effect of firm motive on participation intentions was fully mediated by CSR[10].

Table 8 is willing to buy Erke products. Among the main reasons for supporting Erke, 65.5% of the people also chose the option of donating if they lose money when buying Erke products, which further proves the public's recognition of this. and shows that Erke would rather lose money to help the compatriots in the disaster-stricken areas. This strategy reflects the national sentiment and loss status, which captures people's sympathy and willingness to buy products for it. Expanded the number of customers of the brand. Finding that donation positively influences consumers' responses. However, this effect was found to depend on several contingencies (eg, positive attitude toward helping others and/or a strong warm glow motive as well as product-cause fit among others)[9] several contingencies (eg, positive attitude toward helping others and/or a strong warm glow motive as well as product-cause fit among others).

In addition, in the scores of different brands in Table 17 (1 is Nike, 2 is Adidas, 3 is Erke, 4 is Anta, 5 is Noble Bird, and 6 is Peak), it can be seen that among all donated brands, foreign well-known brands such as Nike and Adidas have high ratings. In many domestic brands.

From Table18, we can see that people still prefer domestic brands to brands that have also donated money. Although there is a large gap between domestic and overseas brand products and influence, the percentage of choosing domestic brands is about three times that of choosing foreign brands. It shows that another important factor in the success of donation marketing is to stimulate people's patriotism, and people will be more inclined to buy domestic brands that donated money during the Henan floods.

#### **4. CONCLUSION**

Through the data analysis of the questionnaire and the number of fans and sales data of Erke on social media, our hypothesis is verified. Donation marketing can greatly increase the brand's attention and sales in a short period, but after the heat has passed Back to the original point, only in the short-term there will be more significant results, and in the long-term, there will be a certain positive impact, but the long-term solution is to develop the product quality and design of the brand.

Although this article discusses the various impacts of sports brands on corporate brands after using donation marketing strategies from the perspective of consumer experience and enriches the content of the research on the

relationship between donation marketing strategies and corporate strategies, there are still certain limitations and deficiencies, which need to be done in the future. further research. First of all, the research sample time and scope of this article are limited. Only 155 questionnaires on sports brands such as Erke are selected for research. Therefore, the research results cannot be applied to all brands, especially non-sports brands, partially and comprehensively. Secondly, this article believes that there are other areas worthy of research that have not been covered, such as whether the company has an impact on the brand's subsequent strategy after using donation marketing, whether there are differences in the effects of different companies using donation marketing, and how to use donation marketing more efficiently, In-depth study of these aspects may yield more detailed and more valuable research results.

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