



Going pink is big business

By [Tammy Joyner](#)

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Pink is the new green.

The pink umbrellas, T-shirts, key chains, hats, scarves, cosmetics, lemonade, M&Ms, dance-a-thons, marathon walks and cars being marketed throughout this month raise millions of dollars for breast cancer research.

October is Breast Cancer Awareness month, but it has also become a financial bonanza for American businesses.

"It brings a lot of shoppers into the stores," said Michele New, a spokeswoman and special events manager for Saks Fifth Avenue at Phipps. The Atlanta store, in conjunction with all Saks stores nationwide, is selling designer T-shirts, hosting luncheons and panel discussions and donating 2 percent of all of its sales between Oct. 15-18.

Saks has been involved in the breast cancer awareness campaign since 1999. Since then, Saks says it has donated more than \$32 million to women's cancer research and treatment organizations.

When asked how much the cancer campaigns have enriched Saks' bottom line over the years, New said, "It's been very successful for us," but declined to go into detail.

Such retail promotions have helped grow the cause over the years from women sporting pink ribbons to fund-raising powerhouses like the Susan G. Komen Foundation, which raised nearly \$50 million for breast cancer research last year from more than 200 corporations.

"If you look around just about any store in October, the proliferation of pink ribbons seems to indicate it's pretty powerful and probably does a lot to generate revenue for the corporations that participate in these cause-related marketing programs," said Sandra Miniutti, vice president of Charity Navigator, a Mahwah, N.J.-based group that tracks charity donations.

Just how much do companies collect when they market for a cause and how many extra sales do they enjoy as a result of their pink marketing?

"There's no database that really tracks how much money companies participating [in breast cancer awareness campaigns] actually give to charities," Miniutti said.

But a recent University of Michigan study looking at the effects of "cause marketing" — when a company agrees to give a portion of the proceeds from the sale of a product to a charity or cause — found that it can boost sales and also raise prices of not only the cause-related product but other products the company sells.

"For public policy officials and consumers who may believe that cause-marketing firms are more caring firms and

are genuinely interested in helping others, it may be insightful to understand that cause marketing also allows firms to increase their prices and profits," noted the study authors, retail marketing professor Aradhna Krishna and Uday Raj, an associate professor of finance.

"Companies are riding on the coattails of the most popular cause marketing issues, especially around the month of October. We're seeing a deluge of companies using the pink ribbon to increase their profits," said Kasha Ho, program manager of Breast Cancer Action. The San Francisco-based advocacy group launched "Think Before You Pink" to help the public better understand the marketing. "We're seeing a deluge of companies using the pink ribbon to increase their profits."

Ho cited examples of companies that rake in money from the cause long after they've exceeded their earmarked donations.

"At the very least, we need some transparency when it comes to breast cancer research donations and better coordination among groups to avoid redundancies in research," Ho said.

The Atlanta-based American Cancer Society insists companies that participate in the various campaigns are sincere.

"Businesses are very instrumental," spokeswoman Elissa McCrary said. "Their employees deal with cancer and breast cancer. So this is an issue that's important to them. Corporations and businesses are extremely supportive."

Consumer trends expert Britt Beemer said marketing such as the breast cancer awareness campaign helps polish a company's image with many shoppers.

"People want the companies they buy from to be good corporate citizens," said Beemer, chairman and founder of America's Research Group in Charleston, S.C. The breast cancer awareness campaign has avoided financial entanglements and negative press, for the most part, Beemer said, and that's a plus.

Delta Air Lines recently kicked off its campaign by bathing the New York JFK air traffic control tower in pink lights before treating employees who survived breast cancer to a live in-flight performance by fellow survivor Melissa Ethridge aboard its pink jet. The airline has raised \$1.5 million for breast cancer research since 2005.

"Delta takes its social responsibility to the communities we serve seriously," said Delta chief executive Richard Anderson, whose mother died of breast cancer.

It's those kinds of touches that endear companies to their customers, Beemer said.

Even so, it can all get a bit overwhelming. There are more than 1,000 breast cancer-affiliated charities out there and scores of corporate initiatives to fight the disease, expected to claim more than 140,000 lives and lead to more than 192,000 new cases this year alone.

To help consumers sort through potential charities, Charity Navigator uses a four-star system to rate them. The Breast Cancer Research Foundation has strict regulation about who it partners with, Miniutti said. The same goes for the Susan G. Komen foundation. Charity Navigator gave both organizations their highest rating of four stars.

While watchdog groups haven't been able to nail down the full extent of corporate donations to the breast cancer cause, they have been successful in getting companies involved in the campaign to do more than just donate

money to fight cancer.

Yoplait yogurt, a big supporter with its "Save Lids to Save Lives" campaign, said it would no longer use milk from cows treated with the artificial growth hormone, recombinant bovine growth hormone or rBGH. The hormone has been linked to breast cancer. Dannon followed suit.

"It was a huge victory," said Ho of Breast Cancer Action, which goes after companies that raise money for breast cancer yet make products possibly linked to the disease. It is now taking on Eli Lilly, which makes the growth hormone.

While some may view the monthlong campaign as pink overkill, others see it as a "wonderful opportunity.

"The survivors we talk to see the pink events ... as a call to action," said McCrary of the American Cancer Society. "It helps call attention to breast cancer, and maybe it'll motivate someone to get a mammogram, donate money to research or volunteer.

Breast Cancer: By the numbers

(All numbers are estimates for 2009)

Funding for breast cancer research: \$572.6 million

Number of breast cancer-related charities: 1,000 plus

New cases of breast cancer in U.S.: 192,370 women; 1,910 men

New cases in Georgia: 5,370 women; N/A for men.

U.S. deaths from breast cancer: 40,170

Georgia deaths: 1,130 women; N/A for men.

Breast cancer survivors in the United States: 2.5 million

Source: National Cancer Institute, American Cancer Society, Breast Cancer Action

The American Cancer Society: AT A GLANCE

Headquarters: Atlanta

Contributions to cancer research: \$3.1 billion since 1946

Contributions to breast cancer research grants: \$388 million since 1971.

Notable: It is the largest funder of cancer research other than the federal government.

Atlanta notable: The Making Strides Against Breast Cancer Walk at Atlantic Station on October 24 is expected to raise \$1 million in a single morning.

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