When victims of AIDS get some money from your purchase of a Gap Red t-shirt, or a breast cancer research foundation gets money when you buy a pink Avon nail polish, you are buying a cause-related product. Cause Marketing (CM) by firms entails linking products with a cause and sharing their sales proceeds with this cause. The number of firms carrying a cause-related product has significantly increased in recent years, and CM is very widespread today. I will present the main results of two papers on CM, which examine different issues. In the first paper, I consider a duopoly model of competition between firms in two products, to determine which products a firm will link to a cause. I first test the behavioral underpinnings of my model in two laboratory experiments, to demonstrate the existence of both a direct utility benefit to consumers from cause marketing (CM) and a spillover benefit onto other products in the portfolio. I then construct a CM game in which each firm chooses which products, if any, to place on CM, and show that there is an equilibrium in which each firm links only its disadvantaged product to a cause. The firms raise their prices on both products, and earn higher profits than when neither firm engages in CM. My work implies that, by carrying cause-related products, companies can not only improve their image in the public eye but also increase profits. In the second paper, I experimentally show that when consumers purchase a cause-related product, their direct donation to the cause can decrease, and ironically that total donation to the charity (contributions from consumers and firms) can also decrease. As such, CM is not necessarily beneficial for the cause. I conduct a series of laboratory experiments and also a field experiment for which I design and use the “charitable shopping game”, a variation of the well known dictator game. My research indicates that cause-related products may help the firms marketing these products by increasing their sales, but need not increase the total contribution to the cause.