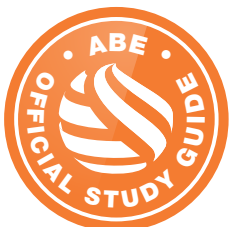


Your road to success

**LEVEL 5
SOCIETAL AND
SOCIAL MARKETING**



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Contents

Using your study guide	iv
Introduction	vi
Chapter 1 Social Marketing for Behavioural Change	2
1.1 The nature and characteristics of social marketing practices	3
1.2 Marketing communication in behavioural change programmes	8
1.3 Behavioural change programmes in relation to social marketing applications	11
Chapter 2 Social Marketing Choices and Consumer Decision-Making	22
2.1 Social marketing approaches from consumer behaviour perspective	23
2.2 Social marketing planning process in a consumer context	38
2.3 The impact of social marketing choices in consumer decision-making	46
Chapter 3 Ethics and Corporate Social Responsibility (CSR)	52
3.1 Ethical issues in societal marketing	53
3.2 Analyse the importance of ethical considerations and CSR in marketing practices	55
3.3 Social marketing approaches from stakeholder perspectives	61
Chapter 4 Strategic Development of Responsible Marketing Practices for Societal Benefit	70
4.1 Societal marketing and the environment	71
4.2 Marketing practices from a societal benefit perspective	76
4.3 The scope, planning and implementation of societal marketing practices	82
Glossary	90

Using your study guide

Welcome to the study guide for **Level 5 Societal and Social Marketing**, designed to support those completing their ABE level 5 Diploma.

Below is an overview of the elements of learning and related key capabilities (taken from the published syllabus).

Element of learning	Key capabilities
Element 1 – Social marketing for behavioural change	<ul style="list-style-type: none"> • Awareness of social marketing practices and their difference to traditional marketing practices • Awareness of behavioural change programmes, how and why organisations might use them <p><i>Communications, environmental analysis, analysis, consumer behaviour, data gathering and interpretation</i></p>
Element 2 – Social marketing choices and consumer decision-making	<ul style="list-style-type: none"> • Ability to apply social marketing approaches to consumer behaviour • Awareness of the social marketing planning process • Awareness of the impact of social marketing choices in consumer decision-making <p><i>Analysis, segmentation, targeting and positioning, planning, problem solving, investigation</i></p>
Element 3 – Ethics and corporate social responsibility	<ul style="list-style-type: none"> • Ability to discuss the ethical issues involved in social marketing • Ability to use marketing approaches to promote CSR initiatives and ethical considerations • Appreciation of social marketing approaches from stakeholder perspectives <p><i>Ethical debate, ethical frameworks and their application, marketing approaches, stakeholder analysis, marketing communication strategies, stakeholder engagement</i></p>
Element 4 – Strategic development of responsible marketing practices for societal benefit	<ul style="list-style-type: none"> • Ability to recognise social benefits of marketing practices • Knowledge of scoping, planning and implementing societal marketing practices <p><i>Intellectual debate, relationship marketing, planning and implementation</i></p>

This study guide follows the order of the syllabus, which is the basis for your studies. Each chapter starts by listing the syllabus learning outcomes covered and the assessment criteria.

L5 descriptor

Knowledge descriptor (the holder...)	Skills descriptor (the holder can...)
<ul style="list-style-type: none">• Has practical, theoretical or technological knowledge and understanding of a subject or field of work to find ways forward in broadly defined, complex contexts.• Can analyse, interpret and evaluate relevant information, concepts and ideas. Is aware of the nature and scope of the area of study or work.• Understands different perspectives, approaches or schools of thought and the reasoning behind them.	<ul style="list-style-type: none">• Determine, adapt and use appropriate methods, cognitive and practical skills to address broadly defined, complex problems.• Use relevant research or development to inform actions. Evaluate actions, methods and results.

The study guide includes a number of features to enhance your studies:



'Over to you': activities for you to complete, using the space provided.



Case studies: realistic business scenarios to reinforce and test your understanding of what you have read.



'Revision on the go': use your phone camera to capture these key pieces of learning, then save them on your phone to use as revision notes.



'Need to know': key pieces of information that are highlighted in the text.



Examples: illustrating points made in the text to show how it works in practice.

Tables, graphs and charts: to bring data to life.

Reading list identifying resources for further study, including Emerald articles (which will be available in your online student resources).

Source/quotation information to cast further light on the subject from industry sources.

Highlighted words throughout denoting **glossary terms** located at the end of the study guide.

Note

Website addresses current as at October 2017.

Introduction

The world is changing very rapidly, and there are enormous challenges ahead. The global problems of health, water conservation, famine, pollution and the environment are becoming ever more critical to address. The power of **marketing** (and **advertising**) is now being applied to try to help (at least partially) deal with these global challenges. The methods are being borrowed and adapted from those traditionally used by advertising and marketing firms. If these marketing methods can be utilised for the good of communities, continents and the world, they will have had a positive outcome. The term used to describe this form of marketing is **social marketing**.

The causes of many of these global, national and local problems are often rooted in the very people they are harming. Our behaviours and habits need to change if there are going to be long-term solutions to these challenges. Social marketing is about changing behaviours and practices. While it is not as easy as people once thought, it can be done with careful consideration and understanding of how people behave. Part of the process of change is to use the right message, delivered to the right people, at the right time. Information about an **audience** and their behaviours (gathered through **market research**) can be analysed to gain insights and it is this work that allows the **targeting** of a message to the identified audience in order to get better results.

The wide variety of challenges we face is growing and so is the application of social marketing: from campaigns to stop smoking, to those reducing pollution in the oceans, lakes and rivers. We know that just telling people to stop doing something (and imposing punishment or fines) does not work. Finding the key that unlocks **behaviour changes** will be crucial to how these serious issues will be tackled. However, there are hidden pressures and moral decisions that must be considered before we encourage people to modify their behaviour. When do the outcomes justify the means?

The other critical element in solving these complex problems is the support of big businesses and organisations. If they can be persuaded to change their approaches and link their financial profits to “doing good” in society, there will be a tremendous potential for change. This behaviour for social good is called **societal marketing**. Large companies are starting to take responsibility for their products and their waste. The true success story begins when they become part of the global solution. There are important decisions to be made for society and, by using the power of societal and social marketing, there is a better chance of achieving social good, as part of the plan for global survival.

Chapter 1

Social Marketing for Behavioural Change

Introduction

The world is facing such massive challenges that it is now necessary to change the way people and populations behave. As it becomes increasingly important to encourage people to adopt better habits, the power of social marketing techniques is being recognised. Social marketing can create sustained changes in behaviour. The understanding and use of traditional marketing techniques allows better ways of dealing with global issues. Social marketing draws on this knowledge to create better communication strategies to help make the world a better place.

Learning outcome

On completing the chapter, you will be able to:

- 1 Discuss the role and application of the social marketing practice for the behavioural change programmes

Assessment criteria

- 1 Discuss the role and application of the social marketing practice for the behavioural change programmes
 - 1.1 Discuss the nature and characteristics of social marketing practices
 - 1.2 Discuss the role of marketing communication in behavioural change programmes
 - 1.3 Discuss behavioural change programmes in relation to social marketing applications

1.1 The nature and characteristics of social marketing practices

Have you heard of a company called “Apple”? If your answer is yes (as it is for billions of people around the world), why do you think Apple chooses to keep marketing? Why does it change its products (from a new Mac computer, to the vast reach of the iPhone always with new versions and sizes), offer price specials, invent new software products and advertise on a huge scale?

The truth is that very few behaviours remain constant over time. It is necessary to reinforce habits, improve awareness and generate positive behaviours. This is vital for businesses wishing to stay successful in a rapidly changing world. This also means marketing has become more central to business success although the level of marketing costs will change over the lifetime of a service or product. Companies spend significant amounts of money on launching products. These introductions are often very expensive; maintenance and reviving an old idea (re-branding or in the context of block-buster films, “re-booting or re-formatting,” a series) can cost far less.

The power of social marketing partly comes from its use of many of the principles taken from commercial marketing and from social sciences. Its core aim is to change people’s behaviour for social good, for the benefit of both individuals and wider society. It is increasingly seen as a “hot topic” for the sustainability of human development. The complex nature of some of the biggest challenges that face the world today means there is enormous **value** in looking at a range of potential solutions. Problems such as global health issues (the spread of AIDS and Ebola, lung cancer, heart disease, obesity and diabetes, etc.) and environmental challenges (climate change, famine, deforestation, habitat destruction, pollution, etc.) are mostly the result of human behaviours. These issues can therefore only be addressed if significant numbers of people change poor habits and lifestyle choices and make “better” decisions. Social marketing uses a range of tools, methods and techniques (including applying the **marketing mix**) to encourage people to make these sustainable changes in behaviour.

📄 CASE STUDY: THE “FACE OF LITTER” CAMPAIGN

Ogilvy & Mather is a huge global marketing agency. In 2015, they were given a project by the Hong Kong government to lead an advertising campaign to reduce the amount of litter on the streets. They launched a city-wide campaign to tackle the debris, by putting a face to what is usually an anonymous crime. They took discarded litter and analysed it using DNA technology. This innovative approach enabled analysts to identify ethnicity, eye, hair and skin colour. This was used to generate posters showing what the people dropping litter might look like. The result of the campaign was that over a thousand **media** outlets used the image and litter reduction was achieved.



Source: <http://www.wpp.com/sustainabilityreports/2015/our-client-work/highlighting-social-issues/the-face-of-litter/>

At the heart of social marketing is the defined goal to achieve “social good”, rather than commercial benefits or profit. It may use many of the same methods as commercial advertising and marketing, but there are differences. For example, social marketing uses techniques other than communication, which tend to be the focus of commercial advertising. Social marketing may involve changing the way that a service is delivered or encouraging other changes to the target audience’s lifestyle, habits and routines.

! NEED TO KNOW

Social marketing involves:

- **Insight** – using **user experience (UX)** and market research to identify “actionable insights”. These are key pieces of understanding that will underpin the social marketing programme.
- **Behavioural goals** – aiming to change people’s actual behaviour, rather than just their attitudes. This can be done by setting out clear, measurable behavioural goals with specific timescales.
- **Segmentation** – identifying audience “**segments**” which have common characteristics. These segments will inform the **interventions** appropriately.
- **Exchange** – considering both the benefits and the costs of encouraging people to adopt a new behaviour. This will help maximise the benefits and minimise the costs, to create an attractive exchange.
- **Competition** – finding out what else competes for the audience’s time, attention and inclination to change. This can involve working with or learning from the competition (e.g. TV advertising).
- **Methods mix** – using a mix of methods to bring about behaviour change, including education, support, control and design techniques.
- **Psychology theory** – using psychology and behavioural theories to understand human behaviour and inform strategy. Putting the customer at the centre of the decision-making processes will allow a better understanding of the target audience.



The activities and campaigns that use social marketing need to be very targeted and clearly defined. The reason for this is because consumers and audiences vary widely. They are different in the decisions they make and their understanding of the message conveyed in these campaigns. This can be because of different languages, cultures and communication channels. Each audience needs to be better understood by marketers before they can be targeted. Marketers seek to do this by breaking the audience down into clearly defined segments. Marketers can then consider a range of possible influences that control each segment. They ask the basic questions about why the audience behave in this manner. This vital research and analysis takes place well before a campaign begins, because it will determine the best marketing methods to use to change behaviours and habits.



OVER TO YOU

Activity 1: Tackling the biggest challenges

Consider global issues that could be tackled by social marketing.

There are many global issues with the power to cause major long-term problems. These include health issues (like the spread of disease) and environmental disasters (like climate change and pollution). The issues themselves are often caused or exacerbated by human behaviour and so can only be tackled effectively if people change their lifestyles and adjust their poor habits.

Identify a global challenge and what habits could be changed to improve the situation.

For example – Water conservation: Changing behaviours of hotel guests by inviting them to use less water and to re-use towels. Using education and training hotel staff to understand the importance of water conservation.

The audience is the most significant part of the social marketing strategy. Therefore, understanding each target market is becoming more critical. Making better decisions about how best to encourage behavioural change requires asking the target audience better questions. The assumptions we believe to be true about different groups in society are often incorrect. The wisdom and insights gained by

market research pay huge dividends by giving precise information about how to change the way targeted groups behave. It is not just about raising awareness about an issue; it involves changing the way people act and think. The data and information from market research help marketers to identify the influences that will directly affect the outcomes for each segment, and to determine the best way to maximise the impact of a specific strategy on a given population group.

Social marketing is all about creating **positive change**. The social marketing plan must be clear enough that it avoids making assumptions about what different groups might believe. Having an audience that is engaged at all stages of the process allows the audience to be better prepared for change. The old marketing model of just “raising awareness” is not enough.

“A social marketing approach should be used when the aim is to achieve and sustain a behavioural change in a target audience.”

www.alcohollearningcentre.org.uk¹

If behavioural change is to be sustained, it needs to become part of the consumer’s belief system. It is just the start of the process that will lead to long-term positive change. The aim of any campaign is to direct its focus toward transforming habits and attitudes. The shift in attitudes results in better decisions from the target audience: they will change from making bad decisions to making more positive ones.

! NEED TO KNOW

The founder of the academic discipline

Philip Kotler (born 1931) is generally regarded as the founder of modern social marketing. He is the S.C. Johnson Distinguished Professor of International Marketing at the Kellogg School of Management at Northwestern University, and is a highly influential marketer, author and consultant. His research and writing has earned him a place as one of the key innovators in the field. Kotler has written more than 60 marketing books. His latest work focuses on economic justice and the shortcomings of capitalism. Other recent published works include *Confronting Capitalism: Real Solutions for a Troubled Economic System* (2015) and *Democracy in Decline: Rebuilding its Future* (2016). He has described strategic marketing as “the link between society’s needs and its pattern of industrial response.”²



📄 CASE STUDY: LIBERIAN COMMUNITIES AT RISK OF EBOLA (2014)

Background

As people continued to cross borders into and out of countries affected by the Ebola virus, the risk of Ebola spreading further remained high. Cultural, religious and traditional beliefs and the refusal of some families to treat family members who were sick strained efforts to contain the outbreak.



¹ PHE Alcohol Learning Resources (2010), *What is social marketing?* [online]. Retrieved from: <https://www.alcohollearningcentre.org.uk/Topics/Browse/SocialMarketing/toolkit2010/bestPracticeInSocialMarketing/whatIsSocialMarketing/> [Accessed on: 3 October 2017]

² Kotler, P. and Keller, K. L. (2009), *Marketing management*. Upper Saddle River, N.J: Pearson Prentice Hall

Decision to have a social marketing campaign

Some 200 volunteers, supported by various national and international organisations, worked in affected villages in Liberia, but more volunteers were urgently required to accelerate communication within communities. Liberia's Ministry of Health and Social Welfare, with support from various organisations, accelerated community education and social mobilisation.

Goals and behavioural change required

Informing at-risk communities about Ebola and telling them what to do to protect themselves was key to preventing new infections. In the village of Zango in Voinjama, Lofa County, where denial of Ebola was initially reported as extremely high, the social mobilisation team designed an approach to address specific issues, such as beliefs about poisoning and witchcraft.

The main messages

The main messages which needed to be conveyed were how to protect oneself, what to do if someone was sick, where to report cases and how the dead should be handled. Volunteers spoke to community members in the local dialects. As an integral component of the Ebola response efforts, community education needed to be intensified. A co-ordinated approach among health partners with proper messaging that addressed issues of denial and resistance in the community remained a priority for Liberia as it scaled up its fight against the disease.

Potential stakeholders

Social mobilisation partners worked on countering misconceptions about Ebola. At the Foya Case Management Centre (CMC) in Lofa County, a 52-year-old Ebola survivor from Koindu town in Sierra Leone recounted how she lost her only daughter and a sister to Ebola. WHO and UNICEF staff also talked about Ebola with the elderly in Sulumba village near the border with Guinea.

Define the audience

Increasing participation of elders, as well as religious leaders, was vital. These highly respected leaders had a unique opportunity to mobilise communities. During a social mobilisation campaign in Sulumba, Foya, volunteers gathered community members through the elders to educate them on what to do to prevent getting sick.

Analysis of key behaviours

Social mobilisation activities were supported by psychosocial teams who helped people express their grief. Lucana Kurvah, a mental health clinician, helped a psychosocial team explain to community members in Zango why they needed to immediately report any sick family members. She emphasised that no one should treat sick persons using traditional methods.

Implementation

To support social mobilisation campaigns in affected or at-risk villages in Lofa, banners with messages about Ebola were hung at immigration checkpoints and various town centres. They served as reminders of the need for people to protect themselves. Community radio was a powerful tool for spreading life-saving messages. The National Task Force on Ebola led by the Ministry of Health and Social Welfare had a sub-committee on social mobilisation, which co-ordinated health partners' messaging and production and the dissemination of materials.

Source: Adapted from "Reaching out to communities at risk of Ebola in Liberia", World Health Organization, 2014

1.2 Marketing communication in behavioural change programmes

Marketing communication is all about the message and how it is communicated to the audience. If you are simply told to stop doing something (for example, stop eating unhealthy foods), you will probably ignore it unless it has real meaning for you. Social marketing requires the communication of a clear and simple message. There is also a need for consistency in the messages within a campaign. With an increasing range of communication channels available to social marketers, it is crucial that they all deliver the right message, at the right time, to the right people. The channels include radio, television, newspapers, magazines, social media, websites and outdoor media. This diverse range of media channels is driving social marketers towards more **integrated marketing communications (IMC)** strategies.

The professional social marketer harnesses the value of integrating the various communication methods, rather than having them operate independently. The American Association of Advertising Agencies has defined IMC as:

“*a concept of marketing communications planning, that recognises the added value of a comprehensive plan, that evaluates the strategic roles of a variety of communication disciplines.*”

Schultz (1993)³

! NEED TO KNOW

Successful marketing

Successful marketing depends partly on the ability of a company to manage its marketing programmes within its social environment. Social environmental forces are those forces that involve the attitudes and shared beliefs of the population. Marketing managers are increasingly finding their work difficult due to the fact that consumer values, lifestyles and beliefs are changing much more rapidly than they used to. For example, gender roles are far less fixed than in the 1950s, as indicated by the rising numbers of men who shop for groceries and women who buy cars.

REVISION
on the go

An IMC plan requires that advertising, direct response, **promotion** and **public relations (PR)** are all linked. There will be a greater chance of changing behaviours if there is a robust strategy to provide clarity, consistency and maximum communication impact. Social marketing communication strategies depend heavily on the use of advertising to encourage behavioural change. Advertising is a rapidly evolving area, but in general, it can be defined as any form of direct communication about a service or idea paid for by a client; social marketing clients are often at national or governmental level. One of the tactics involved in advertising is that of the use of “fear” (**FoMo** – fear of missing out) to promote an idea or concept. While this may work in the commercial world, social marketing campaigns which use this tactic should undergo ethical reviews to provide the justification for using fear as a tool for the common good. Health campaigns based on fear have a track record of failure.

³ Schultz, D. E. (1993), “Integrated Marketing Communications: Maybe Definition Is in the Point of View,” *Marketing News*, January 18 Issue



OVER TO YOU

Activity 2: Fear of missing out

Identify one example of how FoMo is used to drive behaviour in your community.

Advertising is usually associated with **brand building** (which is long term) and reaching a broad audience. The growth of the internet and global media has enabled the use of a promotional campaign as a short-term approach to changing behaviour. Promotional methods can be powerful only when they are clearly linked to the objective of a campaign. So, for a commercial organisation, such as a national chain of chemists, there may be promotional posters, television advertisements and “special deals” to promote the benefits of stopping smoking. In linking these promotions to a commercial campaign, there may be long-term benefits as well as short-term gains for the business.

Social marketing campaigns often invest heavily in public relations and increasing interest through publicity. **Publicity** is a non-personal, direct form of communication. However, unlike advertising, there is no direct payment and no identifiable client. As a result of the lack of control exercisable over publicity, it may also damage the impact of the campaign. The client has little control over the reaction to the campaign, unless there is a commitment to (and budget allocation for) the PR campaign being carried out using a professional company. Publicity might involve press releases, use of contacts (typically editors, writers and journalists) and **Word-of-Mouth (WoM)** marketing. Increasingly, there are “hidden” campaigns (often called “**guerrilla marketing**”) and attempts to use the power of **viral communication** (e.g. on YouTube, Instagram and Twitter).

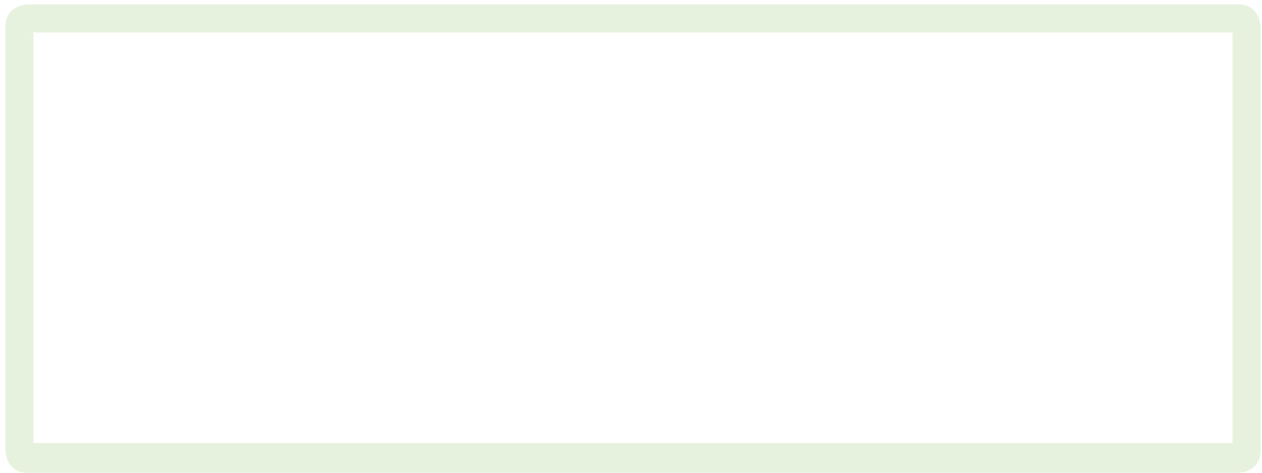
Social marketers have to deal with the publicity, negative and positive, that arises in the media with the publication of “scientific reports”. These often deal with health issues (e.g. disease control) or environmental challenges (e.g. climate change and pollution). There are some examples where attempts have been made to release scientific reports to generate media interest, and this is called “**media advocacy**”. The use of social marketing to promote a public health issue has resulted in encouraging media outlets to report and amplify defined problems. They are becoming part of a direct communication strategy to deliver a message to the public and to a target market.



OVER TO YOU

Activity 3: Using adverts to put over a message

Can you recall an advert on television, radio or on an outdoor advertising space that was about a health issue? What was it about? What was it trying to achieve and what effect did it have on you?



A wide range of **stakeholders** will be involved in any social marketing campaign. These people should be identified as part of an overall strategy. Many of these individuals will be responsible for providing information and communicating directly with target audiences. This may be a critical issue because they are usually credible sources for target markets but do not necessarily have media experience. Consumers or potential consumers of the message need to be reassured about the importance of the message. For many social marketing campaigns, professionals play an important role (for example, doctors and pharmacists in health campaigns). These professionals need to be educated and trained to deliver a consistent message.

Another important communication channel for social marketing is **direct response advertising**. This may involve telemarketing strategies, but increasingly it uses the power of social media and text-based smartphone campaigns. These are rapidly evolving areas and have created both positive and negative reactions. Many of these direct methods result in the message being seen as “**spam**” and “noise”. In some cases, they are very intrusive for consumers and seen as a form of harassment (e.g. telemarketing) and there are issues with legal aspects of data protection (e.g. e-shots from databases). The internet and social media channels can be used as a “complementary channel” to the more traditional television media.

! NEED TO KNOW

The medium is the message

Watching television is an important part of understanding how a population can understand a message. “The medium is the message” was a phrase coined by Marshall McLuhan, meaning that the form of a medium embeds itself in any message it would transmit or convey. McLuhan understood “medium” in a broad sense. He identified the light bulb as a clear demonstration of the concept of “the medium is the message”. A light bulb does not have content in the way that a newspaper has articles or a television has programmes, yet it is a medium that has a social effect; that is, a light bulb enables people to create spaces during night time that would otherwise be enveloped by darkness. He describes the light bulb as a medium without any content. McLuhan states that “a light bulb creates an environment by its mere presence.”⁴ If you watch the news on television, there may be a report about pollution, but often it is less about the individual news story itself – the content – and more about the change in public attitude towards pollution. The news creates a belief about pollution; that is part of the understanding of a social problem.



4 McLuhan, M. (1964), *Understanding Media: The Extensions of Man*. New York: McGraw Hill

The marketing mix

Some of the classical, “old school” elements of commercial marketing can be seen in social marketing. For instance, they both share the key variables of the Four Ps (and their sub-divisions):

- Product: quality, brand, premium, rarity, warranty, support, packaging, availability, proof, authenticity.
- Promotion: advertising, special offers, deals, discounting, direct marketing, direct mailing, e-shots, e-marketing, social media, discovery, channels, word-of-mouth, Facebook adverts.
- Place: retail, online, wholesale, direct sales, trade sales, e-Commerce, bartering, market, distribution.
- Pricing: cost and benefits, discount channels, volume, payment period, credit, bundling, list price, rack rate, price comparison sites, premium pricing.



1.3 Behavioural change programmes in relation to social marketing applications

Definitions

A classic definition of marketing is:

“Marketing is human activity directed at satisfying needs and wants through exchange processes.”

Kotler and Armstrong (2008)⁵

The definition for social marketing is that it is an approach used to develop activities aimed at changing or maintaining people’s behaviour for the benefit of individuals and society as a whole.

If you look at the marketing definition carefully, there are two parts that need unpacking. The first is the term “exchange” and its importance in social marketing. In a general marketing context, it refers to a simple transaction, trading money for time, a service or a product. While this is a simple explanation, what is hidden is how the elements can overlap and interact. If you are buying a product, how much time is invested in finding the “right make”? How much time is spent researching online or finding the best version by other methods?

The second crucial element is the concept of **customer satisfaction**. The marketer is aiming to provide a better level of satisfaction than their competitors. The extension of this for social marketing is in its application to changing behaviours. When you buy a great (or terrible) product or service, it is human nature to want to tell others about how good (or bad) it was – indeed the power of Word-of-Mouth recommendation is massive. The satisfaction of the customer also leads to another type of behaviour, namely repeat purchasing.

⁵ Kotler, P. and Armstrong, G. (2008), *Principles of Marketing*, 5th edition. Financial Times / Prentice Hall

! NEED TO KNOW

Consumer behaviour and the psychology of marketing

The study of consumers helps businesses, companies and organisations improve their marketing strategies by understanding factors such as:

- the psychology of how consumers think, feel and reason, and how they select between different alternatives (e.g. brands, products and retailers);
- the psychology of how the consumer is influenced by his or her environment (e.g. culture, family, signs, media);
- the behaviour of consumers while shopping or making other marketing decisions;
- how limitations in consumer knowledge or information-processing abilities influence decisions and marketing outcomes;
- how consumer motivation and decision strategies vary between products that differ in their level of importance or interest to the consumer; and
- how marketers can adapt and improve their marketing campaigns and marketing strategies to more effectively reach the consumer.



One definition of consumer behaviour is:

“ individuals, groups, or organisations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society. ”

www.consumerpsychologist.com⁶

Consumer behaviour happens when an individual, a group or an organisation changes their behaviour because of the influence of others (e.g. friends can influence what kind of clothes a person wears, and managers often make decisions as to which products their company should use).

Consumer behaviour may involve the use (and later the disposal) of products, as well as how they are bought and consumed. The study of product use is often of great interest to the marketer, because this may influence how a product is best portrayed or how marketers can encourage increased **consumption** of that product.

It is this behaviour change that is so vital for social marketing. If you examine the fundamental parts of the marketing process, they revolve around achieving specific goals, targets and objectives. This applies equally to the seller and the buyer.

- The goal for the seller may be making a profit, market penetration or gaining market share.
- The goals for the buyer might include social proof (showing off to peers) or an increase in the individual's **self-worth** and **self-esteem**.

⁶ Perner, L. (n.d.), *CONSUMER BEHAVIOR: THE PSYCHOLOGY OF MARKETING* [online]. Retrieved from: <http://consumerpsychologist.com/> [Accessed on: 3 October 2017]

Consumer behaviour has a direct impact on society. Consumer response to the aggressive marketing of sugary, fatty, high-calorie foods, for example, may have repercussions for the general health of the population and the national economy.

The goals of commercial marketing and those of social marketing can be very similar. They both focus on the effect on society and community. We know that for most businesses and organisations, marketing is a critical element. If a marketing campaign is positive, there will be an increase in brand awareness for a target group. The intention is to encourage different buying behaviours when the consumer is making a choice about a product or a service. The same applies for social marketing, in changing the awareness and behaviour of a group or community.



OVER TO YOU

Activity 4: Exchange

Can you give an example of an exchange for services or products in your community where money is not involved? Why does it suit the parties involved?

Micro- and macro-marketing and environments

Of course, micro- and macro-economic conditions apply for all the marketing strategies used. These are specific techniques that guide marketers to find out what people really want. They are part of the forces that drive innovation and create new ideas, inspiring services and exciting products that match those needs. There are differences between **micro-marketing** and **macro-marketing**, but the essential marketing theories overlap and are understood by marketers.

If we examine them in detail, we find that micro-marketing is used to target a small segment of the consumer population who have specific needs and requirements for a product or service. The strategies used in micro-marketing and advertising are directed at a specific social group. Macro-marketing is used to determine who will develop a product, service or idea. The information will be used to evaluate the reaction of the audiences to a concept and to determine how and where the products are produced. The marketers will use **market research** to determine acceptable **price points**, the best market segments and the **demographics**.

The relationship between how a business or organisation functions and the environment in which it operates is complex. We know that they cannot operate in isolation and must interact with their community, other businesses and organisations. This produces an interlinked set of factors that profoundly affect how a business functions. These may include their relationship with their employees, their direct customers, the management and governance of a business, the supply chain and business regulations. The “business environment” is divided into two categories: the micro-environment and the macro-environment. The former affects the working of a particular business only, while the latter affects the functioning of all the business entities operating in the economy.

! NEED TO KNOW

Key Differences between the micro- and macro-environment

- The micro-environment is the business environment under which an organisation specifically and immediately operates. The micro-environmental factors, which are controllable by the organisation, will affect that organisation only, and will affect it directly and regularly.
- The macro-environment refers to the general working environment of the wider economy and influences the working of all the business groups operating within it. Macro-environmental factors affect all business entities and are outside the control of the organisation. They will affect the organisation indirectly and distantly.
- The micro-environment is comprised by the COSMIC elements (Competitors, Organisation itself, Suppliers, Market, Intermediaries and Customers).
- The macro-environment is made up of the PESTLE elements (Population and Demographic, Economic, Socio-Cultural, Technological, Legal and Political and Environmental).



The **micro-environment** refers to the environment immediately surrounding an organisation, i.e. the small area in which a business functions. Changes within this environment can directly and immediately affect the day-to-day running of the organisation and therefore its performance. The micro-environment is formed by the forces which are close to the organisation and which can be viewed as stakeholders. These are forces that will affect that organisation alone, capable of immediately impacting its day-to-day operations but for a short term only. Elements of the micro-environment include suppliers, competitors, marketing intermediaries, customers and the business itself.

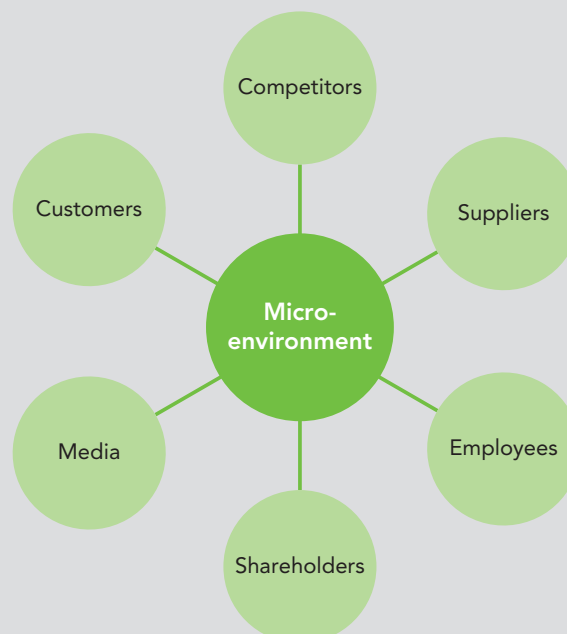


Figure 1: The micro-environment



The wider economic environment that influences the decision-making, strategy, performance and general operations of all business groups at the same time is known as the **macro-environment**. It is very dynamic and changeable in nature. It constitutes all those outside forces that are not under the control of the organisation, but which have a powerful impact on its functioning. It consists of individuals, groups, organisations, agencies and others with which the organisation deals every day.

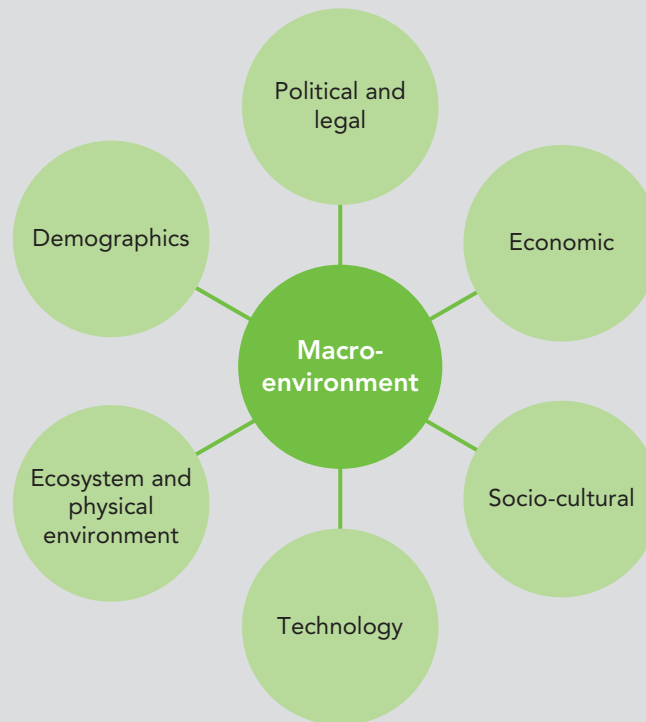


Figure 2: The macro-environment



! NEED TO KNOW

Marketing strategy

Using their understanding that consumers are more receptive to food advertising when they are hungry, marketers learn to schedule food and snack advertisements late in the afternoon.

Using their understanding that new products are usually adopted initially by only a few consumers and wider adoption by the rest of the population is gradual, companies:

- introduce new products that are well financed, so that they can stay afloat until their products become a commercial success;
- appreciate that it is vital to please the initial customers, since they will in turn influence many subsequent customers' brand choices.



Understanding the power of each type of marketing strategy is critical, as the choice made will influence the effectiveness of any social marketing campaign. Successful marketing campaigns can take any idea, product or service to a higher level. They can generate significant profits or effect social changes that improve public health or help to protect the environment. Understanding the

micro-marketing versus the macro-marketing concept can help marketers develop more efficient and sustainable plans for their target markets.

! NEED TO KNOW

Marketers need to ask themselves...

Do you really understand the target audience and see things from their perspective?

Are you clear about what you would like your target audience to do?

For your target audience, do the benefits of doing what you would like them to do outweigh the costs or barriers to doing it?

Are you using a combination of activities in order to encourage people to achieve the desired action?



Marketing research

Among the many views and definitions of how marketing is used, most confirm the importance of using a structured process. For any campaign, there must be an analysis of both **customer needs** and **customer wants** before the campaign begins. Many marketing agencies use **market research** to determine this information. The application of this data refines the **market offering**, which in turn changes a product or service. Further information emerges about what the acceptable price might be (price points) and how it is delivered to the customer (the **place** and **channels**). It may be that there is a requirement to offer a “promotional” element.

The product then becomes the focus for a fair exchange. It is defined by its value to the customer. Social marketers must be able to go further than this simple transaction, as they are trying to achieve sustainable changes in behaviour. By offering value in the exchange there is a real motivation for the consumer to change their behaviour. If the goal is to get a householder to become better at recycling waste (and using the appropriate containers to sort plastic, organic and other types of waste), then the consideration is what value they place in doing this. There may be a moral obligation or incentive (the neighbours are doing it), or education may have changed attitudes about its importance on a local and global level.

OVER TO YOU

Activity 5: Recycling

Describe an example of recycling in your community. Does it work well? How is it promoted?

Social marketing uses many of the principles of commercial marketing to influence changes in behaviour in a target audience. For instance, if a recycling campaign is successful, every householder will adopt better behaviours in sorting and recycling their waste products. They will keep these better behaviours and do so over a sustained period. Social marketing relies on voluntary compliance, rather than having rules and punishment for breaches of those rules. It avoids having a legal process, backed by economic or coercive forms of influence. The work of researchers like Kotler has led to an understanding of the power of social marketing on audiences.

Reducing drug use through social marketing

Social marketing involves getting ideas (and changing behaviours) across to consumers, rather than selling something. Marty Fishbein, a marketing professor, went on sabbatical to work for the Centre for Disease Control, trying to reduce the incidence of transmission of diseases through illegal drug use. The best solution, obviously, would be to get illegal drug users to stop. This, however, was not deemed feasible. It was also determined that the practice of sharing needles was too ingrained in the drug culture to be stopped. As a result, and using knowledge of consumer attitudes, Dr Fishbein created a campaign that encouraged the cleaning of needles in bleach before sharing them, a goal that was believed to be more realistic.⁷

CASE STUDY: REDUCING CAR ACCIDENTS IN DUBAI

The global marketing agency Geometry Global Dubai partnered with Dubai's Roads and Transport Authority to try to change the dangerous driving behaviour of tailgating (driving too close to the car in front). Tailgating means drivers cannot stop in time if there is an emergency and it is one of the major causes of road traffic accidents in the UAE. To deal with this behaviour, special devices were fitted to taxis. When another driver got too close, or the taxi drove too near to the car in front, a warning message then played directly through the offending vehicle's radio. It reminded drivers of the dangers of tailgating and thus changed their behaviour in the long term. The result of the campaign was:



- tailgating incidents fell by 14.8% in the first quarter of 2015,
- huge press activity, with over 416 million **media impressions**,
- the equivalent of a US\$1 million media spend.

Source: Akmal Abdelfatah, Mohamed Saif Al-Zaffin and Waleed Hijazi (2015), "Trends and Causes of Traffic Accidents in Dubai". *Journal of Civil Engineering and Architecture*, Vol. 9, pp. 225–231

The modern definition of social marketing focuses on the application of marketing knowledge, concepts and techniques. At the heart of all these processes is the aim of improving social and societal good. It may involve analysis of the user experience (UX) and the journey toward the improvement of societies or response to global challenges. It may include elements of design, policies, decisions and "**big data**" analysis.

⁷ Fishbein, M, and Ajzen, I. (1975), *Belief, Attitude, Intention, and Behavior: An Introduction to Theory and Research*. Reading, MA: Addison-Wesley

Primary and secondary market research

Market research can usually be seen as either primary or secondary research. The difference is quite simple, although there can be confusion around this topic.

- **Primary research** is original research conducted by you (or someone you hire) to collect data specifically for your current objective. This might mean that you do **marketing surveys**, run interviews or **focus groups**, observe behaviour, or conduct field trials. You are the one who obtains this raw data directly, and it will be collected specifically for your current research need.
- **Secondary research** involves looking at existing data that was originally collected by someone else. This might be online research, journals, document analysis or previously published data. The data is then applied to your problem or area of research, but the data was not intended for the purpose you are using it for.

	Primary research	Secondary research
Original data was collected	By you as a researcher	By someone else
Qualitative or quantitative	Can be either	Can be either
Key benefits	Specific to your needs and you control quality	Usually quick and cheap
Key disadvantages	Takes longer and costs more	Data can be out of date and not specific to needs

Table 1: Primary and secondary research



Transformative consumer research

One recent development that has gained traction with marketers is **transformative consumer research (TCR)**. It has its origins in a 2006 research paper, although market researchers have been studying consumer behaviour for decades. The “ultimate” goal is the promise of greater profits through targeted advertising campaigns and better **return on investment (ROI)**. The research gives information to directly influence consumer behaviour and is heavily backed by marketing agencies and trade organisations. Some have argued that there is a larger body of research required, to directly impact on social problems and challenges including poverty, inequality, addiction and sustainability; these are the real focus of social marketers. They have historically never enjoyed of such generous funding and remain on the forgotten side of market research.

The need for more practical research on consumer behaviour was the origin and driver for TCR. In 2006, David Glen Mick used the term TCR in a research paper; he presented the argument that accurate research should focus on developing solutions to consumer problems, rather than just seeking methods to better influence behaviour. In the last few years, TCR has been recognised as a powerful academic theory. It has become the preferred approach to studying the role that consumption plays in many of the social problems of our society. TCR offers a real opportunity to conduct applied research, which delivers practical results.

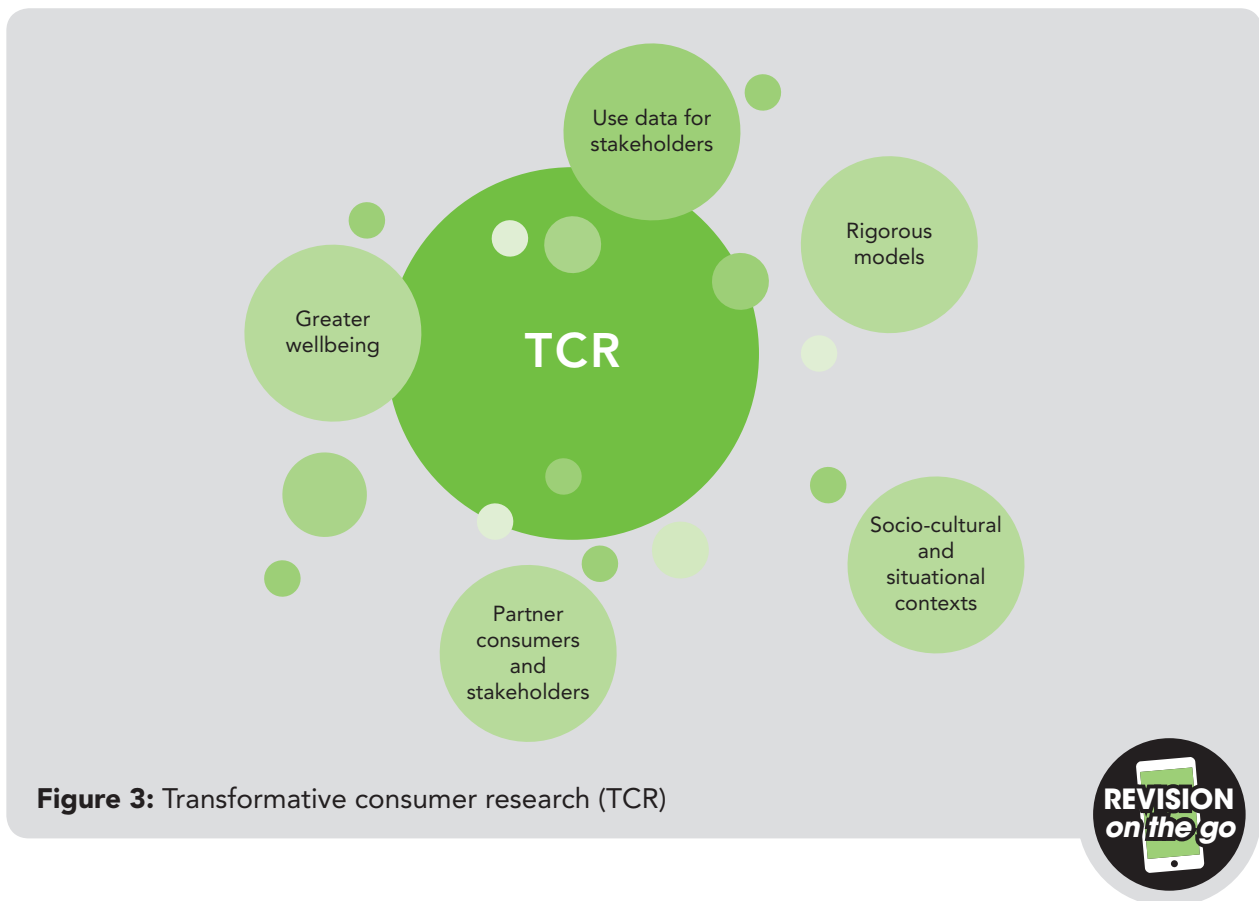


Figure 3: Transformative consumer research (TCR)

Before TCR gained traction in the social marketing world, consumer research usually relied upon **surveys** and focus groups. These pieces of research were carried out by academic researchers, who are experts in their academic discipline or field. Results from academic research are then **peer-reviewed** (confirmed by other researchers) and later shared in academic journals. TCR starts from a belief that social problems are highly complex and there is no “one-size-fits-all” solution. It has been labelled as a multi-disciplinary and **transdisciplinary** approach to research. It is this crossover that makes it more compelling in the understanding of complex problems. Its core value is to deliver practical solutions, rather than to generate more data and sell more products.

There are some real constraints to how TCR works and how it is understood and applied by marketers. The success ratio is still being calculated, but there are glimpses of how it could be a force for massive social good. The management of larger research teams, with power struggles and the politics that are associated with so many involved stakeholders, are yet to be solved. It may require some novel solutions and leadership of a higher order. Because the driving force is the need to address global challenges, there is a chance that this will happen sooner rather than later.

! NEED TO KNOW

Social marketing

Long-term changes in behaviour are usually the result of acceptance by the target audience in terms of:

- improving health;
- preventing injuries;
- protecting the environment;
- contributing to the community.





OVER TO YOU

Activity 6: Social marketing in the community

Give an example of where social marketing is being used to help a local community.

READING LIST

- Andreasen, A.R. (ed.) (2006), *Social marketing in the 21st century*. Sage Publications
- Lee, N.R. and Kotler, P. (2015), *Social marketing: Changing behaviours for good*. Sage Publications
- Lefebvre, R.C. (2013), *Social marketing and social change: Strategies and tools for improving health, well-being, and the environment*. John Wiley & Sons
- Gordon, R. (2011), "Critical social marketing: definition, application and domain", *Journal of Social Marketing*, Vol. 1, Issue 2, pp. 82–99 (This article will be available in your online student resources.)
- McAuley, A. (2014), "Reflections on a decade in social marketing", *Journal of Social Marketing*, Vol. 4, Issue 1, pp. 77–86 (This article will be available in your online student resources.)

Summary

Social marketing practice plays a role in behavioural change programmes. We have seen how this is different from standard marketing. The power of societal marketing to reduce harm in communities and society, and the diverse nature and characteristics of social marketing practices (knowing the audience and what to ask through market research) should now be apparent. The academic origins of social marketing (from the work of Philip Kotler) are the basis of its practical application.

In this chapter, we also considered marketing communication and how it is used in behavioural change programmes (and why behavioural change is so essential for a sustainable change in society). By using successful commercial techniques (i.e. the marketing mix, PR, etc.), long-term positive change can occur in society. Understanding consumer behaviour is the key to using societal marketing in communities.

Chapter 2

Social Marketing Choices and Consumer Decision-Making

Introduction

Social marketing is becoming more important in overcoming global problems. As a result, more data and research is required in order for marketers to make better choices about how it should be applied. There are many consumer behaviours to understand and analysing how people make decisions is central to this understanding. To achieve changes in behaviour, social marketers will need to work hard to determine the right strategy at the right time.

Learning outcome

On completing the chapter, you will be able to:

- 2 **Assess the importance of social marketing choices and its relative impact on consumer decision-making**

Assessment criteria

- 2 **Assess the importance of social marketing choices and its relative impact on consumer decision-making**
 - 2.1 Examine social marketing approaches from consumer behaviour perspective
 - 2.2 Discuss the social marketing planning process in a consumer context
 - 2.3 Discuss impact of social marketing choices in consumer decision-making

2.1 Social marketing approaches from consumer behaviour perspective

Consumer behaviour

A great question to ask any student of social marketing is: “Do you understand why people behave the way they do?”

If the answer is “yes”, you have found the secret to social marketing. The goal of social marketing is to achieve **sustainable behaviour change**, overcoming a wide range of critical challenges, by using a **people-centred approach**. If the answer is “no”, all the evidence suggests you will not achieve sustainable behaviour change. So, what is consumer behaviour and what are the factors affecting it?

The consumer is the decision-maker in the economic system. They can make the following decisions:

- The consumer can decide whether or not to buy a product.
- The consumer will decide if they want to be influenced by the marketing strategies and the advertisements of the organisation for a product or a service.
- The consumer decides *what* they want to buy and *when* they want to buy it.
- The consumer chooses between competitors and their different products.

Decision-making is the power held by the consumer.

Consumer behaviour can be seen as a psychological process: it is very much related to the emotions of the consumer. In this process, the consumer starts by recognising a need for the product, then finds a way or a medium for solving this need, making purchase decisions such as planning whether to buy or not buy a certain product. The consumer then confirms the information, makes a plan and implements the plan to make the purchase. Consumer behaviour can change with the slightest change in the market, the atmosphere and the current trends.

It is important to understand the psychology of the consumer of a specific class and for a specific market. You need to understand how the customer thinks, reasons, feels, and selects between the products and services offered. Then you have to consider the environment of the customer. The environment includes the family of the consumer, their social atmosphere, their culture, etc. The consumer’s psychology is different according to when and where they shop and make decisions about spending their money.

- How can you influence the customer with minimum knowledge by educating them about your products and services?
- How can you impact the consumer’s buying behaviour, helping them decide between products, the importance of the product and how their decision will affect them?

- How should a company improve their marketing strategy and marketing campaigns based on the behaviour of their target market?
- How does a single consumer decision affect a group of consumers? This can include their friends, their family, etc.
- One influence on consumer behaviour is whether they buy a new model of a product or continue using the models they currently own. The desire to own something new is a powerful economic and marketing force. A business needs to understand what motivates a consumer to buy new product model and replace a functioning older version.

Different types of consumer behaviour

There are several types of consumer behaviour, involving different amounts of decision-making and research by the consumer. For example, the purchase of regular, daily goods can involve little money and minimum research work. This includes buying goods from the grower or grocery store that are items used on a daily basis, such as milk, rice, bread, etc.

Buying some products generally requires limited decision-making. When a consumer wants to find out about unfamiliar brands of familiar products, perhaps of not very high value goods, they need will to make some sort of decision – even if this only happens occasionally. The time required to gather such information is generally quite moderate; for example, buying items such as clothes and cosmetics.

Buying products such as computers, laptops, property, cars, or education, however, requires a much greater amount of research and economic involvement. This involves a different type of consumer behaviour. Such decisions take time and often substantial research as the consumer will study almost all the options available in their economic range. The research is prolonged as the customer wants to buy the best option available for the price to be paid.

Another type of purchase is impulse buying or the unconscious planning type of consumer behaviour.

Organisations try to educate consumers about their goods and services and motivate them to buy their products, but predicting the consumer behaviour of a single person or a group is difficult because you never know what factors might influence them and when. Consumers today have a wide variety of choice and many factors can influence their behaviour.



OVER TO YOU

Activity 1: What are consumer decisions based on?

What are the key factors that influence you to buy a product? List as many factors as you can that influence your buying behaviours.

Factors affecting consumer behaviour

As summarised by Kotler and Armstrong (2008)⁸, research indicates that there are four main factors affecting consumer behaviour. These are cultural, social, personal and psychological factors and we will look at them in more detail here.

Cultural factors:

- **Culture:** Culture is an important but complex area of human behaviour. It includes human social behaviour, our roles in society, the behaviour of that society, and its values, customs and traditions. Culture is an important factor influencing consumer behaviour.
- **Sub-culture:** This is a group of people within the larger culture who share the same values, customs and traditions. Their values might be distinct and different from the main group but they still share some of their ideas and maintain their principles.
- **Social class:** There can be many different classes in a society. It is important to know what social class is being targeted for marketing as often the buying behaviour of a social class is quite distinct within each culture. Remember that it is not just income but a number of other factors which combine to make up the social class of a group of consumers.

Social factors:

- **Reference groups:** A reference group is any group that people use as a standard for evaluating themselves and their behaviour. As social beacons they have great potential for influencing consumer behaviour, although their impact will vary across products and brands. This group often includes an opinion leader.
- **Family:** The behaviour of a consumer is not only influenced by their own motivations and personalities but also by those of their family and family members. A family can be two or more people living together either because of blood relationship or marriage or long-term commitment.
- **Role and status:** People who belong to different organisations or groups, or who are club or family members will play different roles and have a certain status to maintain. These roles and statuses also influence their consumer behaviour as they decide to act and spend accordingly.

Personal factors:

- **Age and life cycle stage:** The age of a consumer and their life cycle are two of the most important sub-factors under personal factors. As people age, and there are changes in their life cycle, their purchase options and their motivation for buying products will change. Different life stages have big effects on consumer behaviour.
- **Occupation:** The job or profession of a consumer affects the goods and services they are likely to buy. The work you do affects the different products and services you are interested in.
- **Financial or economic situations:** The amount of money a person has will affect everything they can buy. If the economic situation of a consumer poor or unstable it will affect their purchasing power. So if consumers are feeling uncertain about their economic prospects, or if the economy of a nation is unstable, this will negatively affect their purchases or spending decisions.
- **Lifestyle:** People belonging to different cultures, sub-cultures, occupations and social classes have different styles of living. An individual's lifestyle can make a statement about them, and can be indicative of some of their interests, opinions and activities. Different lifestyles affect the purchasing pattern of consumers.
- **Self-concept and personality:** Each individual in society is unique, with a different and distinct personality, which will affect their decisions as a consumer. The purchase of products and services will therefore differ from person to person.

⁸ Kotler, P. and Armstrong, G. (2008), *Principles of Marketing*, 5th edition. Financial Times / Prentice Hall

Psychological factors:

- **Motivation:** Motivation is responsible for activating the internal needs and requirements of the consumer. It can also be described as controlling the goals and needs of consumers. Motivation arouses and directs the consumers towards certain goals. These needs can be psychological needs, needs for security, **social needs**, self-esteem needs and also self-actualising needs.
- **Perception:** Perception involves sensing the world and the current situation and then making a decision accordingly. Every individual looks at the world around them differently, according to their own life experiences, judgement and abilities, and makes different decisions.
- **Learning and experience:** Learning involves the consumer's research into different products and services before they take the decision to buy a product or service. It is now often done online and in groups. Learning and experience both play an important role in influencing the consumer's behaviour as this influences their purchase decision.
- **Attitudes and beliefs:** Attitudes are a consumer's favourable or unfavourable emotional feelings. Consumer attitudes and beliefs are important and must be taken into consideration while studying human behaviour.



OVER TO YOU

Activity 2: Consumer behaviour

Which of the above consumer behaviours do you think are most important for deciding to buy the following?

A car

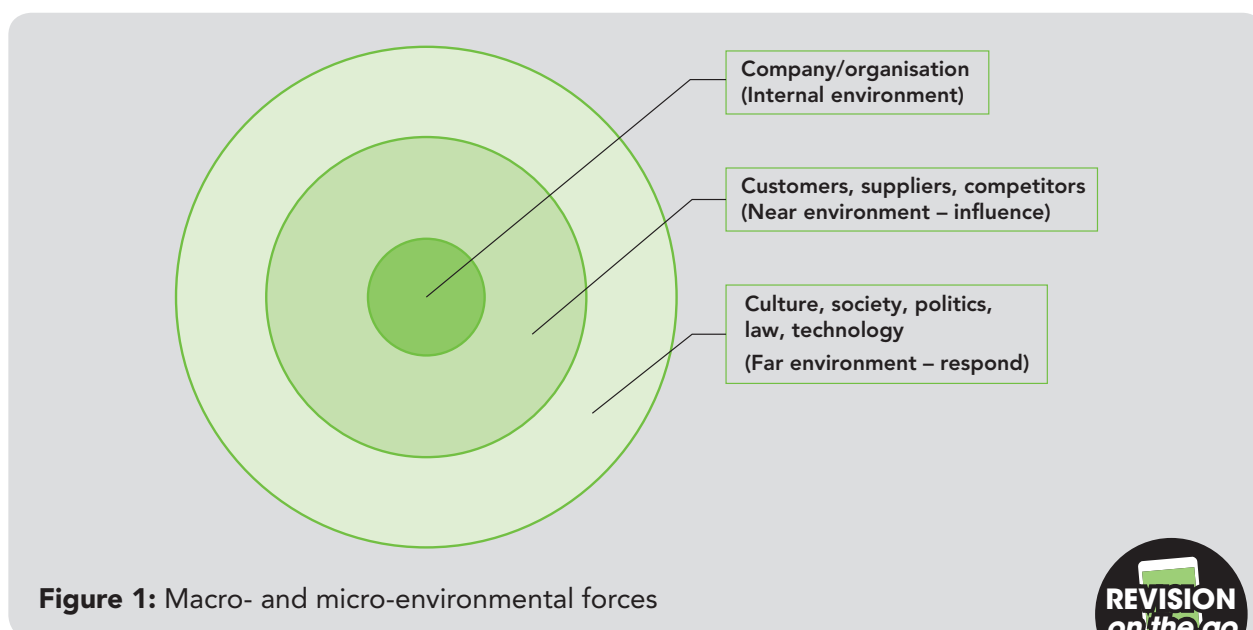
A mobile phone

Clothing for exercising

Social marketing strategies

Imagine trying to get people to change their behaviour, just by giving them lots of information and assuming they will act on this appropriately. What would be the result? Probably nothing! Social marketers recognise that it is necessary to take responsibility for defining the target group and understanding its unique features and behaviours.

Finding a bespoke solution for clients when delivering a marketing campaign requires making adjustments for the defined consumer groups. Micro-marketing is becoming the most powerful tool for businesses of all sizes. If they can understand customer needs and answer those needs in their product or service, they will have a better return on investment. The success of such a bespoke micro-campaign will become evident if customers turn into loyal supporters (fans) and repeat clients for a product or service.



Micro-marketing uses different strategies to a mass marketing approach. Instead of high volume efforts (like mass emailing or e-shots) with high customer turnover, it gives a deeper level of satisfaction to a smaller, ideally matched customer base. One of the downsides is the cost and budget required to implement this process. It will involve spending more per target consumer and can be expensive due to customisation and the inability to scale up in size.

Micro-marketing is a distinct and powerful strategy, whose focus is to generate profit for the business through customer satisfaction. It needs an intelligent and controlled strategy which manipulates the variables to optimise its objectives. If a business (and by extension a social marketing campaign) knows how to provide value (a fair exchange), then the target group become satisfied customers. In social marketing terms, this will produce sustainable changes in behaviour.

There are four main aspects to micro-marketing that reflect the classic marketing mix: product, placement, promotion and price. Developing a bespoke marketing strategy for a campaign requires an understanding of customers and consumers. Essentially, it is done by acquiring data and identifying facts about them. The “price” of the product or service should fit within their spending habits, income and lifestyle.

Macro-marketing is always bigger in ambition and scope. There is more focus on group (herd) behaviours and it goes beyond the remit of micro-marketing. Macro-marketing is a mechanism

that addresses issues at the heart of the market and society. Marketers need a clear understanding of the desires and aspirations (the psychology) of consumers, as this enables analysis of the opportunities and the shortcomings of a marketing strategy.

Macro-marketing requires the mechanisms that can help to enhance marketing processes and systems. Unlike micro-marketing, it focuses on the relationship between the production process and the data from purchase patterns of consumers. It avoids the fine detail of individual decisions based on a small customer base; instead it uses data from the marketing process. The brief for macro-marketing is entirely different from the concerns of micro-marketing and needs to be put in the context of the outcomes required.

Micro-marketing looks at how an organisation or business will make decisions on what product to make and market, and how they will change their methods of production. This involves the practicalities of brand management and pricing decisions, with channels of distribution and the consumer behaviour of individuals being at the front of the strategy. There may be a “packing” issue and promotional decisions to make the product appeal to the individual consumer. Macro-marketing is more concerned with marketing and social responsibilities, consumer behaviour patterns and the detail of the decisions consumers make. It may take on board rules and regulations, the efficiency of marketing systems, socially impacting advertising techniques and (corporate) social responsibilities.

Unlike micro-marketing, with its intense focus on a target with a small customer base, macro-marketing will always look to target large populations and the maximum possible number of customers. It will use its resources to focus on how a big target market (particularly the wider society) works; it looks at how an idea, product or service can reach the maximum audience.

! NEED TO KNOW

How to study consumer behaviour

- Understand the psychology of the consumer of a specific class, and of a specific market. You need to understand how the customer thinks, reasons and feels, and how they select between the products and services offered.
- Understanding the customer’s environment is important. The environment includes the family of the consumer, their social atmosphere, their culture, etc.
- Consider the consumer’s knowledge about the products, the industry and your competitors. How can you influence a customer with minimum knowledge by educating them about your products and services?
- How can you influence buying behaviour, helping the customer make a decision in selecting between products, and how will their decision affect them?
- How should the company improve their marketing strategy and marketing campaigns based on their understanding of consumer behaviour?
- Consider how a single consumer decision affects a group of consumers, i.e. friends, family, etc.
- Influencing consumer behaviour to buy a new product or upgrade their current model is part of understanding what motivates them to change.
- Consumers also make decisions based on the after-sales services and the service provided by an organisation and its distributors. The service offered to a consumer also matters as it can influence their behaviour.



CASE STUDY: THE "SUGAR ACCUMULATOR" CAMPAIGN

In 2015, Public Health England wanted to initiate a campaign to reduce the unhealthy intake of sugar. The average UK consumer ingested the equivalent of 175 sugar cubes a week. In partnership with an associate company, mySupermarket, the marketing agency MEC built the world's first "Sugar Accumulator". This is an online traffic-light system to measure the overall volume of sugar in a shopper's online basket when they order groceries over the internet.



The video of the MEC campaign can be seen here:

<https://youtu.be/K019gFNj478>

The results were dramatic.

- More than 1.2 million consumers engaged with the "Sugar Accumulator" campaign.
- There was an 18% increase in sales of reduced-sugar drinks and breakfast foods.
- There was a 100% increase in sales of reduced-sugar puddings.

Source: <https://www.wpp.com/sustainabilityreports/2015/our-client-work/promoting-healthier-behaviour/the-sugar-accumulator/>

The prevailing wisdom is that macro-marketing is a better technique to use when you wish to consider every aspect of marketing. It will focus on a full range of techniques and applications such as online awareness campaigns, mobile technologies, traditional and targeted advertising, unique product features, the product's in-store and online availability and the appeal of the packaging. Macro-marketing explores the social effect of marketing and the flow of ideas, products and services. It looks at the impact of the product on the economy and how it can cause a sustainable effect. It will use all the available tools (like **cookies** and big data) to evaluate the benefits of these products, ideas and services to consumers.

Social marketing aims to promote behaviours that benefit society as well as the individual. Social marketing can be applied wherever there is a target audience, and a behaviour one wants to influence. It may be a campaign to convince families in Africa to use insecticide-treated nets to prevent malaria, or to reduce drink driving, or to convince people to use public transport rather than cars – the objective in each case is to influence behaviour change.

It is, therefore, a fundamental part of social marketing to understand audience orientation by seeking to understand what people really want and, at the same time, asking better questions about why they do what they do. The social marketer is involved in audience-centred approaches, instead of looking at organisations. This is the basis of the exchange theory, namely that the new behaviour is perceived as having a higher value than the current behaviour. It is not enough to just improve awareness or indeed change attitudes towards an issue. The social marketer needs to motivate and empower people to embrace the desired behaviour.

Social marketing makes a clear difference between a campaign having a quick impact and one that has a lasting impact. In many ways, it is this difference that is critical, as we live in a modern world where there is constant competition for our attention. The audience commitment to doing the right thing is always being tested and challenged by competitive messages and offerings.

Role of consumers

The social marketing methods must be in line with the values of the campaign, so that the desired outcome is understood by the consumers. Remember that the goal is to transform behaviour in a

sustainable way. If a campaign alienates the audience, then it is likely to fail and it will be difficult to get it back on track. Consumer behaviour really is the key to the success of any campaign. The social marketer must understand these behaviours and the likely outcomes of any campaign through the eyes of the consumer.



OVER TO YOU

Activity 3: The problem of encouraging people to change

Imagine trying to encourage recycling by printing quantities of glossy leaflets (on non-recycled paper) containing large amounts of data about the volume of rubbish produced in the community.

What effect do you think this would have on consumer behaviour?

By taking a consumer-centred approach, social marketing enables marketers to understand people and their behaviour. They will seek to encourage behavioural changes by having strategies that are based on an understanding of what people do in certain situations. They get to grips with the knowledge of the “why” and the benefits that result for individuals, families, communities and the wider society. Social marketing is bigger than just a promotion and it is widely accepted as a “discipline” that uses experience and knowledge from multiple academic fields.



NEED TO KNOW

Disciplines which are involved in social marketing

Social marketing involves aspects of these disciplines:

- psychology
- sociology
- economics
- neuroscience
- anthropology



Social marketing draws on multi-disciplinary knowledge and wisdom to understand how people behave or *might* behave. It gives insight into how a target group might respond to a message or campaign. The amount of data now available is changing the decision-making process. In the past, it might have been acceptable to ask a small focus group questions about an issue. We now know

that this can give misleading results and it does not get to the central question of why consumers behave in the way they do and what causes their response to issues.

! NEED TO KNOW

Analysis of data

Analysis of data is needed to:

- develop better strategies to understand consumer behaviour;
- improve designs and develop products to meet needs;
- put across better messages that consumers understand and act on;
- provide consumers with better exchange (which they value).

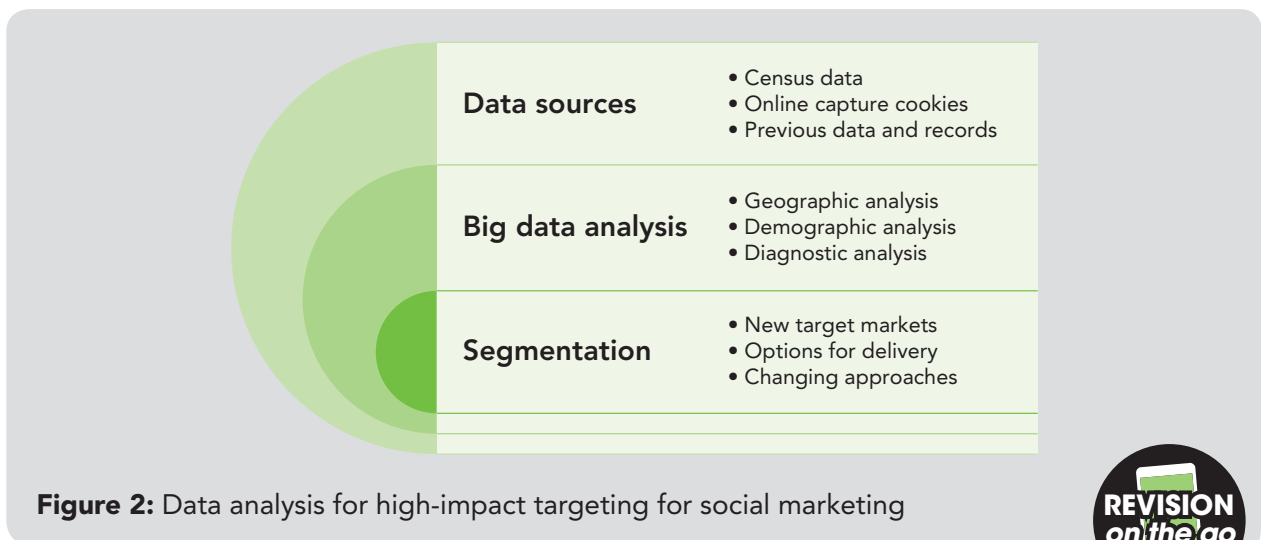


Figure 2: Data analysis for high-impact targeting for social marketing



The concept of exchange is crucial in getting groups of people to change their behaviours over the long-term. Sustainable change happens when we believe it is in our best interest to act in a certain way, or to make better decisions.



Figure 3: The areas of impact of big data



One of the interesting consequences of using our knowledge of consumer behaviour is that campaigns are now run by governments and public services to achieve societal change. They often attempt an education process (sometimes called “raising awareness”) to try to encourage changes in consumer behaviour.

Put yourself in the shoes of a social marketing agency that has been asked to help solve a major problem in society. This is a generic case study but follows the fundamental guidelines we have seen earlier. You are asked to help tackle the problem of the increasing number of car crashes involving young drivers. Part of the brief indicates that many young drivers have no driving licence or insurance.

The problem statement: This is the statement of the problem that you as the marketer must consider: “The social problem is the increasing number and serious nature of car crashes involving young adults”.

Behaviour change: The objective is the first thing to consider. “What action do I believe will best address that problem?” The answer is: A reduction in the number of unlicensed and uninsured young drivers by 70%. Note that this is a concrete statement with a measurable statistical change. Who the audience will be is the next question for the marketer to consider; “Who is being asked to take that action?” The answer is:

- unlicensed and/or uninsured young adult drivers;
- the parents and guardians of these young adults;
- local/state/national organisations and government; and
- traffic enforcement officers and those involved in education.

Overall strategic options:

- 1 Understand the behaviour of the target audience. The marketer needs to understand structural differences in families. This can identify who influences the target groups’ decision-making capacity and habits. This can identify perceived barriers to and benefits of the change in behaviours.
- 2 Re-frame the problem. Ensure all audiences identified in the strategy are aware of the data on the large number of unlicensed and uninsured young adults involved in car accidents. Change the frame of the problem from (for example) dangerous driving to illegal driving. By asking better questions, the marketer can find out what each target group are thinking.
- 3 Identify specific behaviours which will help create sustained change in habits and behaviours. By identifying specific behaviours for each group that could be changed, a sustainable control model can be created with specific advertising backed up by legislation and law enforcement.
- 4 Energise and sustain the champions of change, e.g. law enforcement officers, by using formal and informal police networks to promote the existing laws and drive education policies to match these laws. Look for ways to make the new enforcement compatible with existing approaches and create sustainable change.
- 5 Create a large-scale behavioural media campaign directed at parents, young adults, educators, enforcement and legislators. Publicise the strategy that was selected from among alternatives 1–4 and take appropriate action to achieve goals.

Social marketing is becoming essential as we face increasingly difficult challenges in society. As a result, the underlying reasons for adopting the tried and tested techniques from commercial marketing agencies are becoming more critical. Any survey of consumers (including young children) will reveal their ability to spot brands, adverts and tag lines. The most recognised brands in 2017 include those shown below.

! NEED TO KNOW

Top global brands

The top 15 global brands in 2017 were:

- Samsung
- Google
- Apple
- Ferrari
- Disney
- Visa
- Coca-Cola
- YouTube
- Amazon
- McDonald's
- Microsoft
- Nike
- Facebook
- Twitter
- IBM

Source: http://brandirectory.com/league_tables/table/global-500-2017



You probably know (without having to think) many of these brand logos, symbols and designs, as they form part of our society and cultural context. The amount of money that these companies spend on keeping them in your mind is massive. You may spend more money on these brands as a result, paying well above the functional utility price of a product in order to buy a specific brand name.

✎ OVER TO YOU

Activity 4: Branding

How does branding play a role in your choice of a mobile phone, food, clothing or a bicycle?

What communication techniques are the companies that sell these products using to get your interest?

Customer value analytics (CVA) is based on big data, making it possible for leading marketers to deliver consistent omni-channel customer experiences. The most popular big data use in 2017 has been in sales and marketing.⁹ The results are:

- customer analytics (48%)
- operational analytics (21%)
- fraud and compliance (12%)
- new product and service innovation (10%)

Social marketing can be included in the hundreds of areas that big data and analytics will revolutionise. Big data is already delivering results in commercial marketing and is beginning to spread to the area of social marketing. It will inform:

- how messages are defined, prices determined and products produced;
- the management of target audiences, behavioural analysis and psychology.

Attaining information about the best price for a given product or service is becoming quicker, thanks to advances in big data algorithms and advanced analytic techniques.



Change applications

If the branding and communication techniques used by the big corporations could be used for social good, how would it work? Powerful targeted communication and adverts (think Facebook) are clearly gaining traction. The social marketing expert Gerard Hastings used his book title to ask “Why should the Devil have all the best tunes?”¹⁰

There are increasing numbers of examples where social marketing applications are very successful in achieving positive behavioural change. Many social marketing agencies are adopting high-end commercial communication strategies. However, there are some reasons why social marketing is not ideal as a strategy. One reason is the high cost of running a social marketing campaign – a cost which is often hidden within a government budget.

The real cost and return on investment may be harder to analyse. The way that groups behave, in a sustained way, has also led to some negative feedback. Indeed, many people think that social marketing is the same as “selling” or “persuading” people to buy products that they do not really want.

It is noticeable that there has been an increase in the adoption of some specific commercial techniques to help solve the big challenges in society. These include **market segmentation**, user experience (UX), market research and product placement. Marketing and its association with (hard) selling is becoming less important in some sectors like banking. However, it was only a generation ago that banks were describing such activity as “nauseating”, “odious and irrelevant” and “an over-rated pastime”. Public sector organisations, such as hospital trusts, have also been slow to adopt the new methodologies.

⁹ Daily Reckoning (2015), *Big Data Investments: Opportunities Behind the Buzz* [online]. Retrieved from: <https://dailyreckoning.com/big-data-investments-opportunities-behind-buzz/> [Accessed on: 5 October 2017]

¹⁰ Hastings, G. (2007), *Social Marketing: Why should the Devil have all the best tunes?* Butterworth-Heinemann

The adoption of social marketing has been slow as there has been a limited awareness of the potential of this form of marketing. It may also be that there is a built-in resistance because of the language involved in the process. If you read the magazines and blogs of strategic marketing companies, you soon notice that they have hijacked the language and terminology of Sun Zu's *The Art of War*.¹¹ You can find phrases such as, "keep your friends close and your enemies closer", "encirclement" and "full frontal attack". As you can imagine, the use of such phrases does not go down well with charities, peace groups and health education organisations.

CASE STUDY: FIVE-A-DAY INITIATIVE

The World Health Organization (WHO) recommends an intake of at least five portions of fruit or vegetables per person per day. This was taken on board by the UK Government (Department for Public Health), which ran a social marketing campaign based on providing consumers with data and information. The Minister for Public Health in the UK in 2003 was Hazel Blears. Her campaign speech started with the following statement:



"The evidence shows that eating at least five portions of fruit and vegetables each day could help prevent up to 20% of deaths from our nation's biggest killers such as heart disease and some cancers."

The actual results of the campaign were disappointing, according to data from a fresh product organisation called Freshfel (Europe) which concluded that consumers were buying only 1% more fresh fruit by the end of a five-year campaign in 2008. What was more disturbing was that fresh vegetable buying and consumption fell by 11%.

So, what went wrong?

It is important to look at the exchange that was being offered. Sustainable behaviour change occurs when the consumer understands there is a value to this change. The reality of this campaign was that the exchange focused on health benefits (which were projected into the future) rather than any short-term wins (with long-term benefits). Consumers therefore didn't quickly understand the campaign. The creation of a shift in behaviour relies on this exchange of value and understanding.

To back this up, some **real-world research** was undertaken by the National Social Marketing Centre. In 2007, they looked at some regional areas in the UK, with a focus on lower economic groups. Here there were issues surrounding income and housing (as well as the health issues of poor eating habits). They found that this group of consumers did not feel that the long-term health benefit of "five-a-day" had real value. Their perception was that because money was a pressing issue (they had little money), it was not a priority. So, if you smoked, drank heavily and did little exercise, then eating five fresh fruit and vegetables every day was an irrelevance and had no value. They had, in effect, done a calculation of the exchange value. As a result, there was no positive change in their behaviour.

Source: <http://www.nhs.uk/Livewell/5ADAY/Pages/Why5ADAY.aspx>

¹¹ Tzu, S., translated by T. Cleary (2005), *The Art of War*. Boston: Shambala. (Original work published in 6th century BCE)



OVER TO YOU

Activity 5: Why might a social marketing strategy struggle?

Usually social marketing strategies fail because there is a poor understanding of the target market. This means the message may be poorly transmitted to this segment of the population and it may use inappropriate language or symbols. An example comes from the UK's 1996 health campaign within the UK's Department of Health anti-drug strategy. Their dire warnings about the dangers of heroin (the message was "I can handle it") was causing it to seem "cool" to the target market; it was an act of rebellion against authority.

Can you describe another example of a "poor transmission" of a message in your region?

Often poor decisions are made about using the correct media. The research is sketchy, probably through lack of funding and knowledge. As a result, poor choices in the type of media used are reflected in ineffective social media campaigns. This might be because there is poor engagement through sources like television, the internet, newspapers, magazines and social media. It may be because professionals, like doctors and scientists, are believed as much as family or peer group members. This is all about credibility and authority. With the acknowledgement of the power of so-called "fake news" on the internet, there is an increased disconnection between authority and the readers of the media.

To what extent do you believe any media source can be trusted for unbiased information about a health topic?

As discussed earlier in this chapter, it is clear that many factors influence consumer behaviour. These were summarised by Kotler and Armstrong (2008)¹² as:

- **psychological** (motivation, perception, learning, beliefs and attitudes);
- **personal** (age and life cycle stage, occupation, economic circumstances, lifestyle, personality and self-concept);
- **social** (reference groups, family, role and status);
- **cultural** (culture, subculture, social class).

Further research indicated that consumer behaviour is powerfully influenced by motivation and social attitudes. By understanding the consumer behaviour models better, the process of planning a campaign can be more targeted and more effective.

¹² Kotler, P. and Armstrong, G. (2008), *Principles of Marketing*, 5th edition. Financial Times / Prentice Hall

To understand how these factors effectively combine and interact, it is worth looking at a simplified model which highlights cultural, social, psychological and personal factors. We can look at how these work with health behaviours, together with other cultural factors such as the economic environment, as elements in the wider social context.

📄 CASE STUDY: YOUR FUTURE IS NOT PRETTY

An example of a powerful social marketing campaign can be seen with the “Your future is not pretty” launch in South Australia. It looked at resolving the issue of the numbers of young women who smoke. The marketing agency, Mediacom (Australia) used the target market’s interest in appearance to encourage young women not to smoke. They set up a mock beauty bar, offering them a “free” make-over. Working with special effects artists, each was given a “make-under” to reveal what she might look like in the future if she chose to smoke. The event was then captured on video and used in an internet and social media campaign. The results were impressive.



- There were over 204,951 views of the video campaign.
- 188 “make-under” were completed.
- The information and **engagement** reached over 14.1 million people (more than half the Australian population), across all media outlets.

Source: <https://www.mediacom.com/en/work/your-future-is-not-pretty>

! NEED TO KNOW

Changes in health behaviour

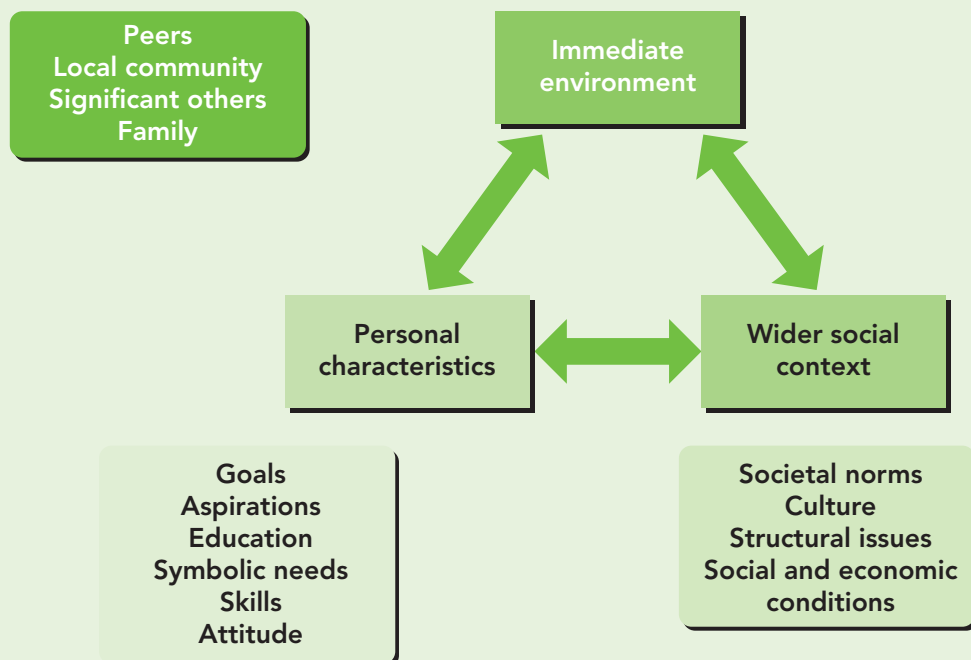


Figure 4: Health behaviour – the “influence” model

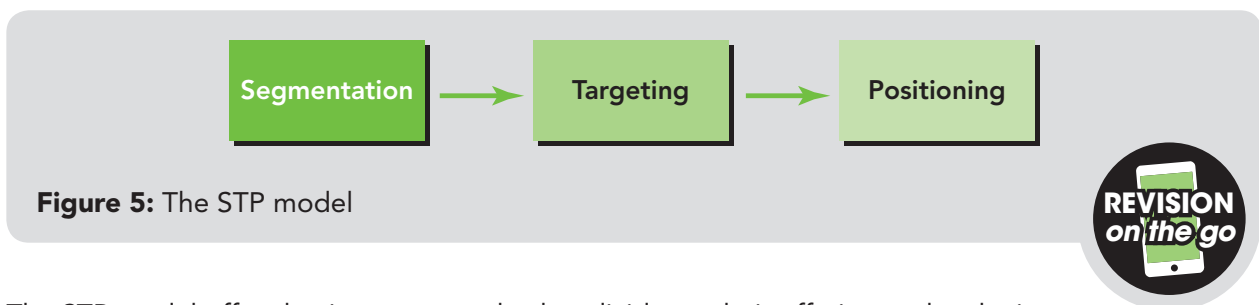


2.2 Social marketing planning process in a consumer context

Segmentation, targeting and positioning

Part of a well-designed social marketing strategy is the understanding of how market segmentation works. If it is done well, it allows social marketers to target a key audience to encourage sustained behavioural changes. There are some complex words and language related to this activity (like **psycho-demographics** and **vertical transition**) to describe the process of segmentation. At its heart is real information and real data about consumers. It concerns their age, gender, income and lifestyle. This data is increasingly being used to improve the return on investment of a social marketing plan.

The process requires the following stages to work effectively:



The STP model offers businesses a method to divide up their offering and make it appealing to different groups. It is a three-stage process and identifies for each group the benefits and values of the product.

- Step 1: Segment your market.
- Step 2: Target your best customers.
- Step 3: Position your offering.

The real power this model grants is that it helps businesses understand what the consumer really wants before they design a product or service that fits their needs. This marketing process will allow better engagement with each target group, making a bespoke offering and will result in more products and services being sold.

Segmentation

Market segmentation is defined as the activity of dividing the potential market into defined groups of consumers. Segmentation involves finding out what kind of consumers there are, and what their different needs are. In the car market, for example, some consumers demand speed and performance, while others are much more concerned about internal space and safety. In general, it holds true that “You can’t be all things to all people” and experience has demonstrated that businesses that specialise in meeting the needs of one group of consumers over another tend to be more profitable.

How a large business deliberately divides up its offering can be seen in the Marriot International group. They segment the market into different consumer groups that will use their hotels for different purposes (e.g. leisure, business, family holidays, weekend breaks etc.). Examples of this differentiation include their Courtyard hotels for travellers looking for something basic, Ritz-Carlton hotels for customers seeking a luxury experience, and Marriot ExecuStay hotels for professionals looking for longer-term, comfortable places to stay. They have managed to position and differentiate each of their hotel products to appeal directly to the needs, desires and uses of the consumer.

Targeting

Consumers will tend to respond (their behaviours are recorded) in a similar way to a given set of **stimuli** that may include price and product features. There is a growing demand for accurate big

data to help determine strategies. Some of the data is extracted from consumer behaviour reflected in website analytics. Websites have to declare they are using cookies to track the browsing and buying habits of consumers. There are other methods being used to get this information, including the use of loyalty cards. More recently, supermarkets are starting to track the use of customer mobile phones when they link to Wi-Fi hotspots in a store. The mobile phones yield information on age, gender and lifestyle while also allowing the supermarket to track the time spent on each aisle and product area.¹³

The data reveals real details on groups of consumers, clients and customers with similar needs, desires and preferences. This is the basis of the statistical analysis called **demographics**. It takes into account factors such as age, location, gender, postcodes and zip codes, previous buying information, lifestyle, income, social class and behavioural factors like brand loyalty. This then allows for segmentation and greater understanding of how social marketing strategies can be used effectively.

Big companies and those with huge budgets can spend heavily to get the right data to make better decisions. They will then be able to target their audience more accurately and aim promotions at specific customer groups to increase profit.

Positioning

The third stage of this process is to position the product and organisation in line with the identified values and against the other competitors in the market. This also allows for clarity in the minds of customers. It involves arranging a product or service to occupy "**clear water**". It should have a **unique selling position (USP)** and become a desirable product for customers. A lot of work goes into aspects of design like packaging, price and discounts and offering high-quality services. When the power of these processes can be adapted to social marketing campaigns, there is a massive potential to cause long-term positive behaviour change.

CASE STUDY: DATA DETERMINES BEHAVIOUR IN TESCO

Background: Tesco is the second largest supermarket worldwide. It has more than 660 million customers that create US\$500 billion worth of income from sales. As a global retailer, it has half a million employees working in 12 countries, serving about 75 million customers each week. In Malaysia, there are currently 50 Tesco retail stores, seven stores on the grocery home-shopping front and 1.2 million customers each week. In 2006, Tesco also launched the Clubcard in Malaysia. With this loyalty Clubcard, it has 1.7 million customers who are active and swiping the card each day. Online shopping is also a new arena the company ventured into last year for seven of its stores.



Aim/objective: When Tesco started its online grocery store, it used mass-mailing as a key strategy for marketing. After a year, the retailer was faced with issues like bouncing emails and invalid addresses. Meanwhile, on its loyalty front, it also saw a decline in shoppers. But Tesco wanted to go further and understand how consumers' minds worked and how to be a priority brand in their purchase choices.

Strategy: Tesco used big data from market-leading researchers, Nielsen, to focus on customer satisfaction studies. It used this with information on trends and consumer behaviour and combined it with the data from the Clubcard. This helped the retailer to put the customer into the centre of its decisions.

¹³ Henry, A. (2013), *How Retail Stores Track You Using Your Smartphone (and How to Stop It)* [online]. Retrieved from: <https://lifehacker.com/how-retail-stores-track-you-using-your-smartphone-and-827512308> [Accessed on: 30 October 2017]

Execution: Tesco used data analysis it had acquired from the loyalty Clubcard to see how consumers behave as individuals and how they actually shop. This information was then further segmented into how often the consumer shops and how much they spend. These segments were then further categorised into “existing loyal customer”, “previously loyal customer that has lapsed” and “an opportunity customer”. Tesco also designed a personalised promotion that came in the form of coupons. For example, if a family liked a brand of ice cream, they would be sent a promotion coupon on that particular brand of ice cream. In each of its mailing lists, Tesco had almost a million customers that it mailed. This resulted in one customer receiving up to six personalised promotions. Tesco identified six million products that could be tailored to individuals.

Result: The improved data and a new email strategy resulted in about 3000 customers being re-activated. Loyalty retention also rose with an approximate 30% increase in customer loyalty. The combination of coding data and Clubcard data and overlaying helped to halve Tesco’s marketing spend and bring back in store 700 customers in the period of four weeks.

Source: Palmer, M. (2005) “Retail multinational learning: a case study of Tesco”, International Journal of Retail & Distribution Management, Vol. 33, Issue 1, pp. 23–48

One of the most important aspects of social marketing is using the right methods and techniques to solve a problem, rather than just adopting commercial strategies. Social marketing uses a range of potential solutions to effect change. These may include the following.

- Understanding and influencing the behaviour of customers using insight from research.
- Changing the approach of a campaign to focus on real customers and their engagement and participation.
- Social marketing requires the active involvement of its audience in creating change in their behaviours and habits.
- Social marketing understands that there is a choice in behavioural models and therefore it is an exchange process.
- Social marketing requires a strategic plan that is sustainable over time; it is not a quick fix or tactical solution.

“Interestingly, when people are asked if they have been persuaded by marketing techniques, they usually say no.”

OpenLearn¹⁴

The 4Ps of social marketing

Some of the classical, old school elements of commercial marketing can be seen in social marketing. For instance, they both share the key variables of the 4Ps:

- product
- promotion
- place
- price

¹⁴ OpenLearn (n.d.), *Reasons against social marketing* [online]. Retrieved from: <http://www.open.edu/openlearn/money-management/management/business-studies/social-marketing/content-section-2.4> [Accessed on: 5 October 2017]

However, in social marketing, there are some subtle differences. These include the following.

- In social marketing of “**product**”, there are some **intangible** elements to consider. These include ideas that allow concepts to be grasped and therefore bought into by the consumer. The importance of language in social marketing is seen in campaigns for public health and choice.
- With “**promotion**”, social marketing largely depends on the buyer’s “state” and whether they are ready to change a habit. There is a clear need to create attitudinal change for audiences, which will motivate (and occasionally inspire) them to act, learn more, make better decisions and sustain a long-term change. It is more than social re-conditioning and requires an approach that alters the state of mind of the buyer. Thus, the style and nature of the marketing are selected to create a better way (more effective and efficient) to achieve the social objective required.
- The social marketing approach to “**place**” requires that clear outlets and channels are used so the audience can transcribe and translate their motivation into the changed behaviour and action. They need to be able to demonstrate their change so that the social behavioural change can be sustained.
- With the concept of “**price**” in social marketing (which includes everything from money costs, **opportunity costs**, **energy costs** and **psychological costs**), it is now clear that the consumer must see the rewards for behavioural change clearly. A real problem in social marketing is how to prove a return on investment as often this will be working on an individual scale. One of the ways of solving this problem is for social marketers to work on changing the fundamental perceptions of customers. This approach causes the target group to believe there are increasing benefits and cost reduction from changing their habits. An example is to look at the approach of price on the sale of cigarettes and its effect on attitudes and decision-making at the point of sale.



OVER TO YOU

Activity 6: 4Ps of marketing

Describe the traditional 4Ps of marketing.

Intervention planning

Achieving the right social marketing approach relies on developing the appropriate intervention and knowing how to move from “current” to “desired” behaviour. Intervention requires a sequential process, as shown in Figure 6.

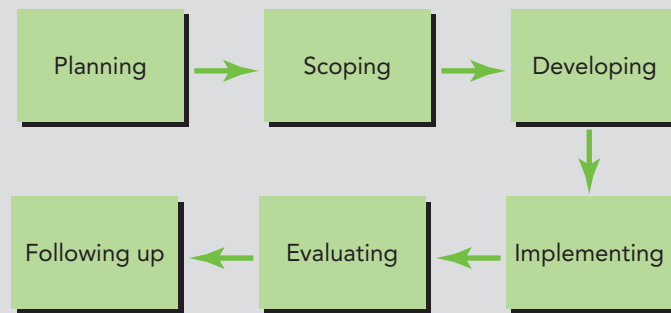


Figure 6: Intervention process



Phase 1: Planning

Before a marketer considers starting any social marketing project, it is essential to carry out some initial planning. This requires deeper thinking in order to ask better questions. There are four main questions:

- What is the main issue or challenge?
- What are the resources, budget and assets required?
- What are the risks?
- What are the timescales?

Another **critical success factor (CSF)** is to make sure that original research of the target audiences is completed target audiences. Often an external, neutral third party needs to be commissioned (e.g. a dedicated market survey agency).

Phase 2: Scoping

This second phase requires:

- bringing a team together to complete the **intervention**;
- making a policy and planning focus using a leadership team;
- reviewing expectations and resources;
- researching previous interventions;
- performing critical analysis of key factors that may be involved;
- researching the audience to determine what moves and motivates consumers.

This stage includes segmentation of audience, allowing priorities to be set and behavioural goals to be considered, and it enables the marketer to develop, monitor and evaluate an intervention. The purpose of the scoping phase is to decide which interventions to select. Behind any social marketing plan is the drive to achieve and sustain the desired outcome. It is dependent on budget and resources and making better decisions.

Phase 3: Developing stakeholder analysis and communication

The basis of an intervention plan is to make the intervention ready for implementation and feedback. There is an absolute requirement to have a team in place to handle its delivery. It needs the right mix of people, with the correct skillset and positive partner involvement. The key stakeholders (who should be identified as early as possible) need to be aware of the plan and timescales. They

are critical for support and asking better questions. External partners need to be involved in the development and delivery of the intervention.

Phase 4: Implementing the intervention mix

Implementing the intervention mix involves drawing on a range of possible ways to influence a person's behaviour to help shape the intervention. In social marketing, we can affect behaviour via some areas of influence. This is known as the "**intervention mix**" and will draw on at least two of these areas of influence.

Phase 5: Evaluating the intervention

The basis of an intervention is to look at how a valued service, product or idea will be offered to the audience. Usually, it concerns having the right price, the right place and promoting it in an engaging way (the marketing mix). For some social marketing interventions, it is important to consider what branding and what brand **positioning** will offer the greatest support. This may include the uniqueness of the brand or how the intervention will relate to other existing brands.

Phase 6: Following up

As in any good system, the intervention process requires a final phase which involves following up and correcting any errors.

! NEED TO KNOW

Areas of influence for social marketers

- Inform – information and best available advice.
- Educate – teach consumers about the reasons why it is important.
- Service – the people who offer information or guidance to the customers.
- Design – the thought process in getting the right message to the right people.
- Control – the elements that can be changed by process or design.



Positioning is critical in understanding how to target audiences (and other stakeholders) to interpret a brand. They are of course comparing this to other similar brands in the market. There is a need to consider the "image" of the intervention and the values and beliefs that consumers will associate with its brand. It also requires the use of the traditional marketing mix of product, price, place and promotion to organise and deliver a planned intervention. There are additional Ps involved with social marketing including:

- **People**, who provide a bespoke service. These are at the heart of a "product" or "brand" from the customer's perspective. The helpfulness, knowledge and concern of any member of staff is a major determinant of whether or not consumers return and spread positive social media tweets.
- **Process**, which involves service delivery and operating systems. Services are usually consumed as they are produced. The consumer is thus directly involved in the production process, meaning that the impact on the consumer should be assessed. The process may be complex from the consumer's perspective.
- **Physical evidence**, which includes the appearance of the materials marketing materials (such as flyers, posters and promotional material). Indicators of quality can be felt in the marketing materials and this affects the brand message.

Positioning is sometimes described as the “**emotional signature**” and covers elements such as signage, parking, landscape and interior design, layout, equipment and décor. It also relates to the senses that an environment creates, from music, smells and colour schemes. These elements impact on the mood of customers. Their perceptions are altered by the website and other mobile information before they arrive at a physical location. Positioning may be changed according to what customers read on TripAdvisor or other comparison sites. Many other Ps have also been identified, and each can help in reflecting on what needs to be addressed, including:

- policy
- politics
- politicians
- professionals
- proposition

OVER TO YOU

Activity 7: Senses

What are the senses you use when you open or unpack a new product?

Single, isolated interventions rarely influence behaviour significantly. If a behaviour in question is simple, a one-off action (or a limited set of actions) may work. To influence and to sustain impact over time, a range of approaches is required. Hence, marketers need a mix of methods and approaches. Social marketing can affect behaviour via some areas of influence. This is known as the “**intervention mix**”. Before taking an intervention into “live phase,” the marketer should have completed the following checklist.

NEED TO KNOW

Checklist

- ✓ Write the scoping report before starting to deliver the project.
- ✓ Use the marketing mix to develop a marketing strategy.
- ✓ Pre-test the interventions (UX).
- ✓ Refine the plans (Kolb Cycle: **Do – Review – Learn – Apply**).
- ✓ Prepare for the intervention launch.
- ✓ Spot opportunities and gaps in the market.
- ✓ Deal with problems during delivery (review).
- ✓ Monitor the process (and adapt to changing conditions).
- ✓ Gather feedback from the stakeholders involved in the delivery.
- ✓ Monitor the wider environment for any changes and results.



Depending on the feedback from key stakeholders, adjustment of the implementation plan may be required.

Market research

Market research is a way of getting data and information about target markets or customers. Traditionally, it has been a very important component of social marketing. Market research is a critical factor used in maintaining competitiveness. Market research helps to identify and analyse market needs, market size and the competition. Market-research techniques use both **qualitative** or “qual” techniques (sometimes called real-world research) that use surveys (online and paper based), focus groups and in-depth interviews. Market research may include technical aspects from sociology like ethnography, as well as **quantitative** (number-based and statistical) techniques such as customer surveys, and analysis of big data from a variety of sources.

Market research also has a role in social marketing, and opinion research requires the systematic gathering of data, and analysis and interpretation of information about individuals or organisations. It uses statistical and analytical methods and techniques from the applied social sciences to gain insight or to support decision-making.

See also Nielsen as a professional market research company, with the tag line “**consumer insights** on what people watch, listen to and buy”. (<http://www.nielsen.com/uk/en.html>)



CASE STUDY: CHESAPEAKE BAY SOCIAL MARKETING CAMPAIGN

Chesapeake Bay social marketing campaign (USA)

America is facing some challenging problems around pollution and contamination of the water and marine environment. An example can be found on the East Coast at Chesapeake Bay – the biggest river estuary in the USA. Like many areas of the world, it is facing up to the growth of populations in the cities and towns next to the river and bay. The effect of this growth is increased pollution and damage to the marine environment. One of the recurring problems is the run off from agricultural chemicals (like fertilisers, lawn feeds and pesticides) from the surrounding land and into the bay. This is exacerbated by sewage being pumped into the estuary. The first response for most communities is to set strict rules and laws to enforce limitations on these emissions. The effect of this so far has been limited as there was little change in behaviour by those in the community. They just did not buy into the problem being caused or associated with their actions. A decision was made to launch a social marketing campaign which would look at the motivational factors that might encourage sustainable behaviour change. It required a suitable exchange to be found that would allow residents to overcome their apathy, scepticism and inertia.



Method: The marketer had to find a lever that would have a profound effect on the communities. Their ally was an unlikely hero: the blue crab. This is a well-known local delicacy and seafood favourite across the state. The research indicated that it was under significant threat from the pollutants in the water. This became the marketers’ focus on a real exchange of value.

The image and press release they went for was that the blue crab was in danger; it was going to be wiped out because of the pollution. The residents were invited to change their behaviours because this was an “eating”, a “restaurant” and a “culinary” issue, rather than a more general “environmental” challenge.

The change in perception of the problem was the main task – to encourage local residents to stop using fertilisers on their front lawns (when there was bad weather and rain run off) – to allow the survival of their favourite local dish. One gifted member of the team came up with a tag line in the press release:

“Save the blue crabs, then eat ‘em!”

They used this tag line in the media, together with guidance on how to look after lawns without using the pollutant chemicals. The campaign gathered traction and research indicated behavioural changes in lawn-care that reduced estuary pollution. This behaviour change was sustainable and the residents valued the exchange in preserving their local blue crabs. The result contrasts with those seen in other campaigns as it used the real power of social marketing. It identified a real exchange, one that changed the behaviour of people who may have become immune to data based campaigns and appeals to do the right thing. The marketers used the principles of psychology to get the residents to analyse the costs and benefits internally, before inviting them to act. The blue crabs’ survival was the value exchange for changing behaviour and this behaviour was sustainable.

Source: <http://www.thensmc.com/resources/showcase/save-the-crabs>

2.3 The impact of social marketing choices in consumer decision-making

Lifestyle changes and marketing challenge

Have you made any big consumer purchases recently? Perhaps you bought a new laptop or tablet, or upgraded your mobile phone? If so, what was the buying process and how did you decide which new model to choose?

The trend is to look at online review sites to help make the right decision. Some people even ask for advice on social media from friends before making a big purchase. This is something social marketers need to take into account when planning a social marketing campaign.

Understanding **consumer decision-making** is the key to getting a strategy right for any campaign. The professional marketer needs to understand consumer attitudes and the reason why communities choose to engage. It is a complex field in which to get objective results. The fundamental nature and understanding of the driving forces behind attitudes and subsequent choices is a hot topic. It starts with the many definitions of “attitude”. One of the most accepted definitions is from Katz (1970), who defined attitude as “the predisposition of the individual to evaluate some symbol or object or aspect of his world in a favourable manner”.¹⁵

The way that social media works is increasingly changing the way people shop. Itamar Simonson and Emanuel Rosen are experts in how social media is influencing the buying process. The implications of this change and the impact of social media on consumer purchasing decisions is increasingly something that needs to be considered in a well-focused marketing strategy. The powerful influence of online reviews and peer-to-peer information sharing was considered further by Simonson and Rosen (2014)¹⁵ and they identified three main factors that influence customers’ buying decisions:

- Prior preferences, beliefs and experiences (P).
- Marketing information from packaging and advertising (M).
- Other people’s input (from friends, family and peers) (O).

¹⁵ Katz, R.L. (1970), *Cases and Concepts in Corporate Strategy*. Prentice Hall

These changes are further evidence that professional marketers have to have a deep understanding of consumer attitudes and the reason why communities choose to engage. This area of marketing is rapidly changing and is complex; getting accurate results that are both current and applicable is hard. The questions at the centre of consumer decisions are seen as the key to understanding the driving forces behind attitudes and subsequent choices. The research into consumer choice and attitudes often gets lost in the noise. It is important to start with a definition of the term “attitude”. One of the most accepted definitions of attitude comes from Katz (1970), “the predisposition of the individual to evaluate some symbol or object or aspect of his world in a favourable manner”.¹⁶

Prior preferences, beliefs and experiences (P)

These decisions are usually concerned with the mundane and every-day buying decisions. They tend to be low value and therefore low risk to the consumer. These are often habit based decisions about what we have bought before.

Marketing information from packaging and advertising (M)

The marketing strategies that have always had a powerful effect on consumer choice include packaging (colour, feel and look) and advertising. These are linked to the price and position of product. The rules that apply about how the product has an emotional impact on the consumer are repeated across many sectors of marketing. They try to persuade the consumer to switch brands or try something new. You will see this with high end brands, who spend huge budgets in trying to persuade and change consumer behaviour.

Other people’s input (from friends, family and peers) (O)

This is a constantly changing and dynamic area for marketers to understand. The number of review websites, and social media groups concerned with purchase decisions is having a huge effect on the way that people choose products like holidays and cutting-edge technologies where there is a high value or high risk in making a choice (like the technology sectors of smart phones and laptops). The power of these peer-to-peer sites in helping consumers judge the value of features, functionality and quality is rapidly increasing. People need the reassurance that comes from hearing about others’ experience with a particular product or service.

The research of Simonson and Rosen, described in the Influence Mix (2014)¹⁶ relates to the importance of P, M, and O for consumers. It is helping marketers to prepare campaigns that will change consumer behaviours and the buying process through the use of social media.

This leads to a more detailed analysis of the elements that form a consumer’s attitude:

- The **cognitive component**, which includes beliefs and past knowledge.
- The **affective component**, which is all about feelings which may be expressed.
- The **conative component**, which deals with expressed behaviours.

Dismantling barriers and health promotion

The result of much research into why consumers undertake certain action and engage in planned behaviour has been central to marketer strategy. They are interested in how the elements of attitude guide consumer behaviour. Research indicates the importance of the strength of expectation – this is driven by consumer beliefs that an action will have a specific consequence. Understanding how consumers react when given a specific decision to make and their understanding of the consequence of that decision become central to any campaign.

¹⁶ Simonson, I, and Rosen, E. (2014), “What Marketers Misunderstand About Online Reviews”, *Harvard Business Review*, Vol. 92, Issue 1–2

This can be described as the “**expectancy-value approach**” to decision-making and behaviour. An example can be seen with a social marketing strategy for helping people to stop smoking. In order for an individual to stop smoking, they need to expect that this action will result in better health, greater wealth (reduction of expenditure) and increased levels of happiness. These are important to most individuals; therefore, consumers may develop a positive attitude towards the actual behaviour of stopping smoking.

However, in this example, there are more complex elements to creating behaviour change. These include the attitude of others (the **peer group**) and the cultural beliefs of groups and society.

There is a desire to conform to these “**norms**” and expectations. This has the effect of reducing (or enhancing) an individual’s attitude towards stopping smoking. The other critical element is the concept of perceived control. A person may see huge barriers, thus preventing change. These are often expressed by an individual as:

- I can’t do it, and I will fail.
- I don’t have the will power.
- It is impossible for me to do this.
- It is someone else’s fault.

You may recognise these thoughts and these situational mind-set blocks are incredibly powerful. The understanding of this lack of self-control has added a new model to the mix, called the “**theory of planned behaviour**”. This is the belief of the individual that they cannot change, as they are a victim of the “power of addiction”. It has a significant impact on the attitudes of certain people and prevents them from trying any behaviour to stop smoking.

The consumer decision-making process

The three major influences on consumer behaviour when buying a product or service are:

P = Prior preference derived from historic beliefs and experiences about a product

M = Marketer’s influence in creating a new behaviour

O = Other people influencing the buying process

The relative importance of each of these influences is determined by a variety of factors. These include the nature of the product or service (is it high-tech or health related?) and the demographics of the potential customers. These can be ranked by their importance and a campaign designed to maximise the potential effect of each influence.



OVER TO YOU

Activity 8: Influence

What do you understand by the term “influence”?

Maslow's (1943) theory of human motivation (sometimes called the "**hierarchy of needs**") is one of the best-known attempts to explain human behaviour.¹⁷ Maslow described five basic human needs, as illustrated in the hierarchical pyramid in Figure 7 below.

- **Physiological needs** – the essentials for life are food, water, oxygen and sleep. Other physiological elements may include sex and exercise.
- **Safety needs** – the importance of predictability, order and stability are represented at this level. This concerns how an individual deals with threats and dangers effectively.
- **Social needs** – the need for connection (which may include the abstract concept of love) between individuals in a group. These needs may operate within a family or extended family, as well as peer-to-peer engagements.
- **Esteem needs** – a description centred on the love of self as an individual – this is the value placed on our existence. It involves our own self-respect and self-esteem. It is often recognised by others as being confident about self.
- **Self-actualisation needs** – the highest level of Maslow's theory – the individual comes to realise that there is a quest for a purpose and greater understanding of doing things right (as well as doing the right things). Sometimes described as self-fulfilment and the action of achieving one's own capacity and potential.

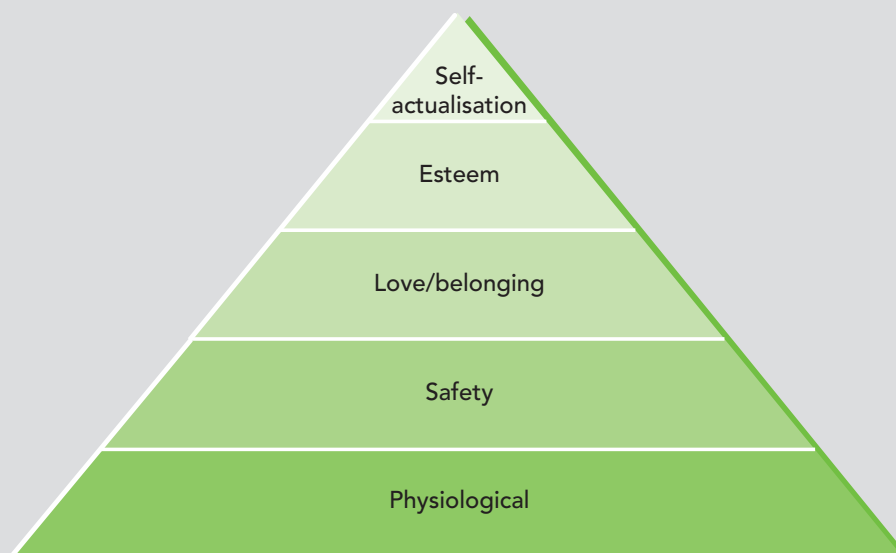


Figure 7: Maslow's hierarchy of needs

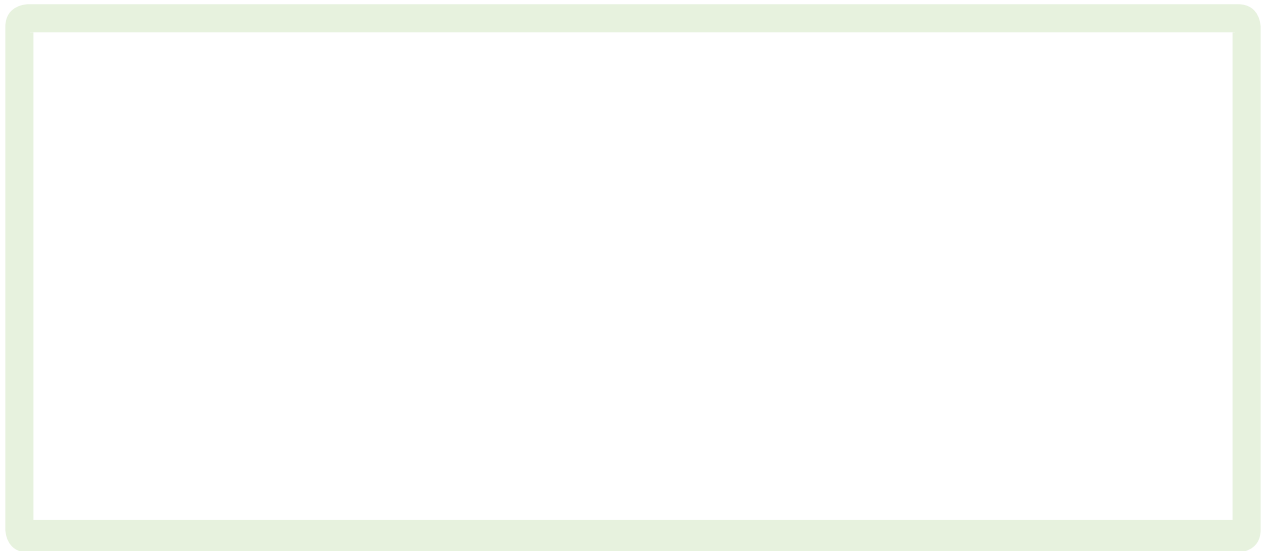


OVER TO YOU

Activity 9: The smoker's challenge

Using Maslow's "hierarchy of needs", indicate why you think young people might be motivated to quit smoking. For example, money for a teenager could be a motivator at various levels, including social needs (money can be saved to spend on friends and family) and safety needs (avoiding debt and going hungry).

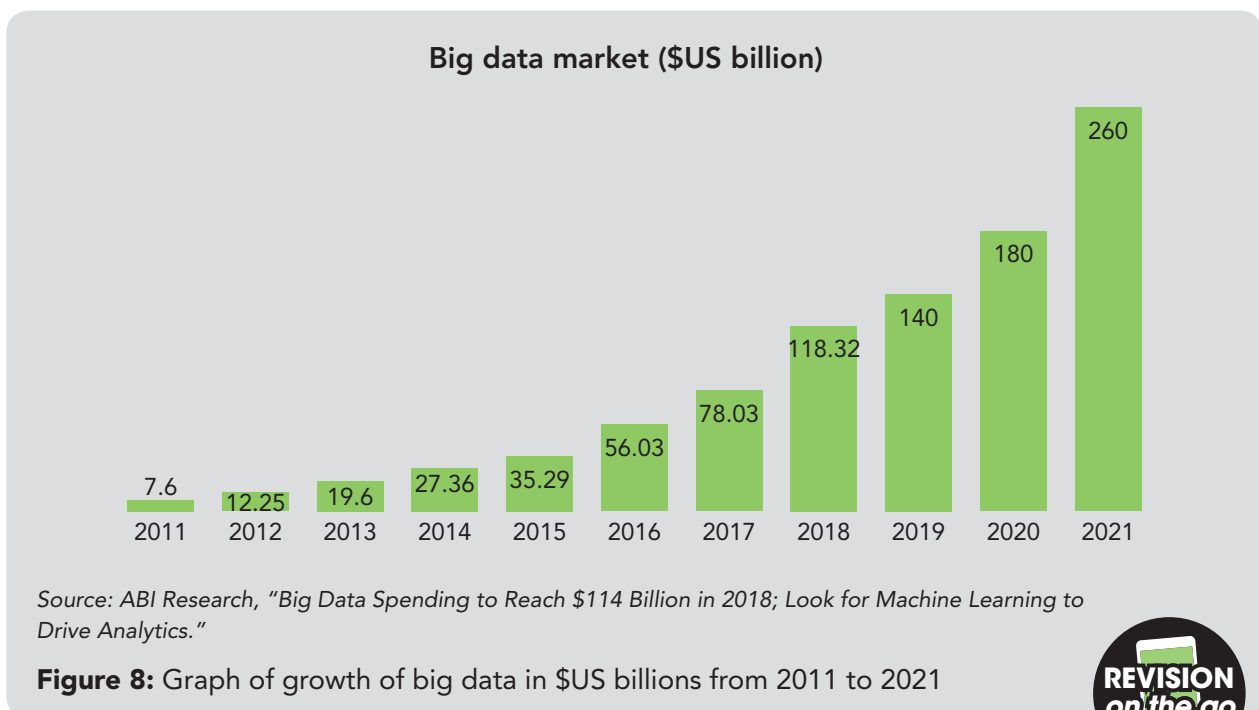
¹⁷ Maslow, A. H. (1943), "A theory of human motivation", *Psychological Review*, Vol. 50, Issue 4, pp. 370–396



There are many different models which try to explain consumer behaviour. As a result, it is very hard to put in place a successful social marketing strategy based on these diverse theories. However, often the models share many of the same themes, which include:

- **power and influence** from media, peers and family among other sources;
- **awareness and understanding** by individuals of data and information;
- **belief – feeling – intention** – some of the stages that consumers go through before buying a product or service.

Even with the most modern data analysis techniques, it can still be hard to explain the bigger picture about consumer decisions. The use of big data from the internet, and social media analysis, is now playing a role in understanding why consumers choose a pattern of behaviours. The prevailing theories and models are beginning to reflect this new data and are helping with the understanding of social marketing. It is about the ability to distil all the research and accurately predict what might be driving consumer decisions.



CASE STUDY: BIG DATA

- More than 2.5 quintillion (a thousand raised to the power of six, or 10 **bytes** of data are created every day, by activities including social media posts, purchase transaction records, mobile GPS signals, supply chain and logistics data, digital videos, pictures and audio recordings.
- Individuals generate more than 70% of all data.
- The average business expects to spend US\$8 million on big data-related initiatives in 2017.
- The value of big data is growing at an average annual rate of nearly 30% and is expected to reach US\$114 billion in 2018.



Source: ABI Research, "Big Data Spending to Reach \$114 Billion in 2018; Look for Machine Learning to Drive Analytics, www.abiresearch.com/press/big-data-spending-to-reach-114-billion-in-2018-look-for-machine-learning-to-drive-analytics

READING LIST

- Hawkins, J. Bulmer, S. and Eagle, L. (2011), "Evidence of IMC in social marketing", *Journal of Social Marketing*, Vol. 1, Issue 3, pp. 228–239 (This article will be available in your online student resources.)
- Raska, D. and Shaw, D. (2012), "When is going green good for company image?" *Management Research Review*, Vol. 35, Issue 3/4, pp. 326–347 (This article will be available in your online student resources.)
- Borgerson, J.L. and Schroeder, J.E. (2002), "Ethical issues of global marketing: avoiding bad faith in visual representation", *European Journal of Marketing*, Vol. 36, Issue 5/6, pp. 570–594 (This article will be available in your online student resources.)

Summary

The key to understanding the importance of social marketing choices is in the understanding of consumer behaviours. This informs the relative impact on consumer decision-making. Influential factors include culture, social and personal issues, as well as financial and economic pressures. The psychological influences (e.g. motivation to do something, attitude, etc.) are equally important in the process. By gaining insight into consumer behaviour perspectives, broader and more sustained change can be instigated.

The use of big data and technology are increasingly changing the way social marketing is being applied. The chapter looked at the social marketing planning process and how this affects consumers. You should now be aware of some examples (see the case studies) where this has been used for improving consumer health (e.g. diet and quitting smoking campaigns).

Chapter 3

Ethics and Corporate Social Responsibility (CSR)

Introduction

The importance of making ethical decisions in social marketing campaigns is becoming clear. There is a need to understand what is meant by “social good” and the “**wellbeing of society**”. In whose interest is a behaviour change being made? There is increasing need for **corporate social responsibility (CSR)** and **ethics** in the boardrooms of multi-national businesses. The social and societal marketing practices need to be careful to make sure they are adding value to society and their business overall.

Learning outcomes

On completing the chapter, you will be able to:

- 3 **Analyse constructs of ethics and corporate social responsibility in the use of marketing practices and their implications with stakeholders and wider society**

Assessment criteria

- 3 **Analyse constructs of ethics and corporate social responsibility in the use of marketing practices and their implications with stakeholders and wider society**
 - 3.1 Discuss ethical issues in societal marketing
 - 3.2 Analyse the importance of ethical considerations and CSR in marketing practices
 - 3.3 Analyse social marketing approaches from stakeholder perspectives

3.1 Ethical issues in societal marketing

What is the “right way” to approach a group of people to stop them doing a damaging behaviour (like smoking)? Is there a correct way to change population behaviours (for example, about ocean pollution with plastic bags)? Increasing demands between profit and social good have led to many ethical questions being asked about the motives of big companies.

The understanding of ethics for any marketer is complex. It involves dealing with what one person may regard as acceptable, while another might perceive it to be unethical. A key part of ethics and ethical behaviour is the moral compass which guides us – and organisations – as to what is right and wrong. Often there are some guidelines for a profession, but remarkably there are few in the field of social marketing; doing things right is not the same as “doing the right things”. There are many areas where “governmental” pressure may come into conflict with a social marketer’s brief in changing behaviour. The consequences of what social marketing can achieve, across a wide spectrum of health issues, are only just being understood.

The ethics of social marketing

As a growing number of governmental and **non-profit organisations** around the world use the techniques of social marketing there are new questions that need to be answered. The real power of social marketing, to bring about important social change has created an interesting set of problems that will need to be addressed. As the most successful commercial marketing concepts and techniques are applied to global challenges (including child abuse, child trafficking, teen smoking and environmental neglect) what will be the unintended consequences of these changes? This is the new era of complex ethical challenges that an agency or social marketer might face.

With the growth of social marketing across many sectors, it would seem helpful to have mechanisms by which ethical issues can be identified and resolved. While social marketers may work with a basic code of ethics, it is increasingly important to look at this in a wider context and to develop a common understanding of what “ethics” actually means to individuals and organisations. This is true for marketing companies in general and also for those within those organisations involved in social marketing.

Looking at a range of ethical dilemmas that may occur will help us to understand the way that professionals should act in social marketing interventions. These are becoming more obvious in the field of health care and reducing harm to society from reckless behaviour.

If this is actually to work in practice, there must be common frameworks and procedures that can be applied to evaluate and debate ethical issues. Checklists and codes of ethics used by the social marketing sector must be reviewed and applied to the existing professional codes (e.g. for medical staff).



OVER TO YOU

Activity 1: Ethical policy

Read this statement in a paper called “Ethical issues in social marketing” and consider the consequences for social marketers:

“As a community of professionals, we have adopted no standards of ethics and it is probable that most of our community has not read or analysed the guidelines set up for either commercial advertising or commercial marketing. Unfortunately, deciding what is ethical in social marketing (as in marketing in general) is rarely simple. In most cases, there is not a definitive right and wrong; for example, it is often the case that we are dealing with controversial products or sensitive behaviours (e.g. contraceptives and central practices) and/or two principles which are seen to be “right” by different groups are in conflict (e.g. pro-life versus pro-choice). Further, it is a well-recognised fact in social marketing that what we are often dealing with is a trade-off between individual and community good (e.g. the right of the individual to smoke a cigarette, which is currently a legal product, versus the right of others to be protected from passive smoking).”¹⁸

What do you feel about this statement?

When is it not ethical to influence people’s behaviours?

Further reading and research can be seen in this article about healthcare marketing entitled “Marketing begins with values” by Schick and Schick (1989).¹⁹

¹⁸ Jones, S.C. and Hall, D.V. (2006), *Proceedings of the 3rd Australasian Non-pro and Social Marketing Conference Newcastle*, 10–11 August 2006 Issue. Australia: University of Newcastle

¹⁹ Schick, I.C. and Schick, T.A. (1989), “Marketing begins with values”, *Health Progress*, Vol. 70, pp. 72–76

3.2 Analyse the importance of ethical considerations and CSR in marketing practices

Corporate social responsibility (CSR)

There are some organisations, companies and businesses that wish to embrace corporate social responsibility (CSR). The CSR movement is aimed at encouraging businesses to become aware of their impact on the rest of society, their stakeholders and the environment. It is a business strategy that may contribute to a more **sustainable development**, through a delivery plan for economic, social and environmental gain for all the stakeholders.

! NEED TO KNOW

What is the “triple bottom line”?

Traditionally, large businesses and corporations have a duty to report to their shareholders about their profits and liabilities. The more forward looking organisations are looking beyond profits (the bottom line) and are including social and environmental issues to measure the total cost of doing business. This is often referred to as the **triple bottom line** and it has three elements, “people, profits and planet”.

The term was introduced in 1994 by John Elkington (and later used in his 1997 book, *Cannibals with Forks: The Triple Bottom Line Of 21st Century Business*).²⁰ His new approach was an attempt to move away from a limited view of financial based success model and ask better questions about social and environmental responsibility. He acknowledged the difficulty of measuring the impact of these issues individually in conventional accounting practices. Indeed, the idea of having three separate accounts that measure cost and benefit to an organisation seemed a step too far for many.

Elkington’s “triple bottom line” took as its starting point sustainability in business practices. By looking beyond profits and including social and environmental factors, he effectively measured the total cost of doing business.

The inclusion of the “people element” in social responsibility to corporate bottom lines, changed the focus to the fair treatment of employees and off-site and outsourced contractors. The rise in the importance of the ethical treatment of all people in the supply chain is continuing to be seen in the good governance of large businesses. The drive by many organisations to take on the virtues of having an environmental responsibility policy within their bottom line is part of this strategy. It includes the implementation of sustainable practices and the reduction of pollution and environmental impact through waste reduction and recycling. Other “green initiatives” include using sustainable materials for packaging and manufacture.

The addition of social and environmental responsibility to a company’s mission can also have a positive effect on a company’s financial bottom line. The statistics seem to back this up, with the release of a Nielsen report in October 2015 that found 73% of the largest consumer demographic in the US (the millennials) were willing to pay more for sustainable goods and products. What was particularly striking was that it was an increase of 46% from 2014. The survey also highlighted that more than half of consumers (56%) were prepared to pay more for products offered by companies that were committed to positive social values.

The long-term results of adopting and integrating higher social and environmental standards within corporate governance policies have included increasing revenues and mitigating against potential brand-damaging incidents.

20 Elkington, J. (1994), “Towards the Sustainable Corporation: Win-Win-Win Business Strategies for Sustainable Development.” *Californian Management Review*, Vol. 36, Issue 2, pp. 90–100

This transformation of governance and social responsibility by investing in a triple bottom line is acknowledged in improving brand image and public goodwill. The power of this element to the value of a company can be immense.



There are many definitions for the concept of CSR and the way it can be delivered. The ways in which organisations apply the model are different and diverse. CSR is a flexible concept that is involved (at different levels) in:

- **human rights**
- corporate governance
- health and safety
- environmental effects
- working conditions
- **economic development**

Whatever the multiple definitions of CSR are, the core value is a drive towards a sustainable future and sustainable profits.

CASE STUDY: THE RAINFOREST ALLIANCE

Unilever is a multi-national corporation with a comprehensive CSR strategy and policy. It is a leading food and beverage retailer and, in the **Dow Jones Sustainability World Index (DJSI World)**, is ranked 7th in the “Global 100 Most Sustainable Corporations in the World”. An example of their global initiatives is the “sustainable tea” programme. They have formed a working partnership-based model with the Rainforest Alliance; this is a non-governmental organisation (NGO) and has a growing link with Unilever. By 2017, they aim to source all their tea bags (Lipton and PG Tips brands) from Rainforest Alliance Certified™ farms. The Rainforest Alliance Certification is a classic example of **differentiation** from other brands and allows a successful CSR policy to have a return on investment as well as being socially, economically and environmentally sustainable.



Ethical behaviour of organisations

NGOs and non-profit organisations (sometimes called “not for profit”) are facing among the most important and exciting issues in social marketing; ethical considerations are constraints, as they were in the commercial sector. The aim of a commercial organisation is to make profits for shareholders. Ethical considerations may limit the methods employed to achieve this aim, and there are both self-imposed and legal restrictions on corporate governance.

In the realm of social marketers, the situation is clearly different. Their ultimate aims must be ethical, and the question of whether the ends justify the means is real and challenging. For social marketers, ethical issues are fundamental to delivering a strategy.

NEED TO KNOW

The big questions of social marketing

Most social marketers believe that it is important to answer the following questions:

- What can social marketing do for society in the long run?
- How do the different types of social marketing impact on each other?
- How does social marketing differ from commercial marketing?



While it is acknowledged that social marketing is significantly different from commercial marketing regarding delivery, the ethical differences between social and business marketing are not always so clear. One of the issues facing social marketers is that normally they will have only limited resources for achieving such objectives.

The next big challenge for social marketers is to consider the effects of marketing on other stakeholders and the unintended consequences of social marketing. How social marketers can apply commercial knowledge to the behavioural objectives they wish to tackle is the key. For social marketing to progress, these technical questions, as well as their ethical implications, will have to be evaluated, discussed and actively researched.

“Effective communication involves the “sender” of the message in encoding and transmitting the information in a way which is relevant to the target audience.”

OpenLearn²¹

CSR has had a real impact on larger corporations. However, adopting the social responsibility and ethical marketing policies does not automatically translate into increased profits. It is still the responsibility of the organisation to ensure it is responsible for its actions and their impact on society. One of the critical success factors of being socially responsible is seen when the organisation is concerned about people, society and the environment. Usually, these will be linked to where the organisation conducts its business.

Using marketing approaches

Socially responsible marketing involves taking moral actions that encourage a positive impact on all the company's stakeholders, including employees, the local community, consumers, and shareholders. One of the main tasks of marketers is to package and communicate the organisation's decisions. These decisions will have a direct impact on the various communities and stakeholders with which the organisation interacts. Increasingly, there is another dimension for social marketing: the power of the consumer to decide through their purchase decisions. Marketers have a huge responsibility to ensure their practices are philanthropic without appearing to be false.

! NEED TO KNOW

Ethical principles for social marketers

- An agreed standard of truth in communications.
- A clear distinction between advertising and sensationalism.
- Endorsements should be clear and transparent.
- Consumers' privacy.
- Government standards and regulations.



Companies are aware that consumers are becoming increasingly savvy and opinionated. Consumer access to social media, the internet and review sites is increasingly a motivation for ethical behaviour. Organisations must create an ethically sound marketing plan and then integrate it into all aspects of their marketing mix.

“Do good; don't just look good.”

²¹ OpenLearn (2011), *Social Marketing*. The Open University

The focus has shifted to being responsible and how companies can help the neighbourhood or country. It is in doing so that customers, the media and press, and all those watching, will see these ethical changes. By thinking about the long-term effects (not short-term gains), companies will begin to value the impact of responsible marketing for profit. For many people the terms “ethics” and “social responsibility” are used as if they have the same meaning. In fact, there is a clear and important difference between the terms. Ethics revolves around the process of an individual or group making a marketing decision and its impact on consumer behaviour. However, social responsibility looks at the overall effect of marketing practices on society.

An important role for marketers is to examine and predict the long-term consequences of their decisions in running a campaign that changes consumer behaviour.

! NEED TO KNOW

Quick guide for an ethical marketing strategy

- 1 Apply an ethical marketing strategy and values for an organisation or business.
- 2 Look at the various ethical options that marketers can apply to a campaign.
- 3 Deliver an ethical approach to marketing and how it is put into action.
- 4 Decide on which areas of a business that the ethical marketing strategy will apply.
- 5 Work out the costs and benefits to the company of an ethical marketing strategy and the return on investment in the long-term.



When marketers use a social and ethical strategy for marketing, they are always looking at how this applies to the traditional marketing practices. They are taking on board the philosophy of **mindfulness** and social responsibility.

By using social responsibility, companies and business are beginning to implement policies and operations from the consumer perspective. This understanding of how consumers think and act gives marketers an insight into the mindset of the buying process and what the users feel about their product or service.

✎ OVER TO YOU

Activity 2: Ethical values for social marketers

Here are seven ethical values that marketers could be expected to uphold. For the last three, add anything you think is important.

- 1 **Honesty – in dealings and offering value and integrity**
- 2 **Fairness – balancing buyer needs and seller interest fairly, and avoiding manipulation in all forms while protecting the information of the consumer.**
- 3 **Transparency – creating a spirit of openness in the practice of marketing through communication, constructive criticism, action and disclosure.**
- 4 **Citizenship – legal, economic, philanthropic and societal responsibilities to all stakeholders and giving back to the community.**
- 5 Protecting the environment –

6 Responsibility –

7 Respect –

One of the roles of any social marketer is to improve social standards and services innovatively. The behaviour of consumers changes and enhances the experience for other users. This can be done through developing social marketing strategies and policies. The evaluation of commercial marketing strategies yields some useful information.

Apple is famous for having people happily queue overnight to be the first to own an upgraded product. Apple produces valuable products that focus on offering the customer great pricing, excellent experiences and good customer service. They do not have to resort to unethical sales tactics and false marketing claims. Part of Apple's success is in having a clearly defined corporate mission. They are clear about their plans, goals, and practices. Their brand vision and philosophy attract millions of customers worldwide.

The next stage is putting the good of the community and associates above profit. If this is done well, consumers are drawn towards this shared ideal of consumers willing to pay premium prices for their products. The traditional marketing focus was on cost reduction and increasing profits. Socially responsible marketers seek to find out about their products and services through feedback from their customers. They can then use this information to refine and improve their product or service. The effect of this process is to improve the experience and value for the communities in which they work.

! NEED TO KNOW

Social marketers need to know...

- Marketers get the right products to the right people at the right time.
- Ethical marketers ensure the products meet and exceed their needs.
- They will back up their claims and policies with actions.
- They offer value to the customers over time.
- They find opportunities to give back to the communities they serve.



In summary, an organisation that uses ethical and socially responsible marketing will gain the respect and trust of the customers they target and have engagement with; this will translate over time into greater benefits and profits.

Ethical practices

Organisations can make their practices more ethical and responsible by:

- **Improving safety:** It is essential that any product or service that has a potential to be hazardous to the health to consumers, animals or the environment, should have clear advisories and warnings.
- **Honesty:** By ensuring a product or service satisfies the need it has promised to fulfil. The promotion and advertising should be transparent about possible side effects.
- **Transparency:** Social marketing has already understood that any techniques that try to manipulate and hide facts or information are unethical and have adverse effects on the success of any campaign.
- **Ethical pricing:** Marketers need accurate data about their target market. This information allows for analysis and decision-making on how much consumers will pay for a product or service.
- **Respecting customer privacy:** Consumers, clients and customers trust organisations to protect their personal data and information. There is an ethical responsibility (as well as a legal one in some countries) not to sell or exploit this information.
- **Moral marketing compass:** This becomes more critical in economic downturns, when unethical practices become tempting to save costs.
- **Win-win marketing:** The focus on customer value, will (over time) increase company value and the power to ethically change behaviour.
- **Keeping marketing legal:** Reducing the risk of cutting corners and turning a blind eye (the legal protection of whistle-blowers is becoming more important).
- **Goodwill:** A strong reputation among consumers and clients generates goodwill. Social marketers and ethical companies use this goodwill to change behaviours over time.
- **Retention:** A good company attracts (and keeps) good employees, suppliers, investors and customers. Great marketing practices make new marketers feel like their time on the job will make a difference and so they will be less likely to leave.

REVISION
on the go



OVER TO YOU

Activity 3: Ethical practices

In your opinion, which ethical practice is the most important?

3.3 Social marketing approaches from stakeholder perspectives

Stakeholder analysis

The most acceptable definition of the term stakeholder is any person, organisation, social group, or society that has an active role or has an involvement in a business or organisation. This will include all those with a stake in the business, including those inside the organisation (internal) or those outside like suppliers (external). The understanding of the term “stake” becomes critical to this definition. It could be those with a vital interest in the business or its activities, like the owner or shareholders. It also includes those with a legal interest and moral obligation. Businesses have a legal obligation to pay wages or to pay their bills. The moral obligations will include a duty to not harm their customers, or intentionally damage others with their business activity. Therefore stakeholders will include:

- those directly or indirectly affected by a business;
- those people or groups that affect a business;
- those both affected by a business and affecting a business.

The comparison between stakeholders and shareholders is often made. A duty to stakeholders in a business has moral and ethical implications that will affect the running of that business. However, a business that only has a duty to its shareholders may have no moral obligations to any other person, organisation or society. Businesses that display a duty to their stakeholders must consider the interests of its stakeholders as well as maximising the interests of its owners and profit.

In marketing and particularly in social marketing, it is vital to discover who all the stakeholders are during the project preparations phase. At its heart, **stakeholder analysis (SA)** is finding out about who really cares about an issue.

! NEED TO KNOW

Identifying each stakeholder

- Describe their needs.
- Describe their desires (with respect to the project).
- Evaluate whether they are a primary (key, directly involved) or secondary stakeholder.
- Analyse how much interest in (and therefore influence on) the project outcomes they have.



After getting clarity on this element of the project, a social marketer can manage stakeholder expectations. It will be important ensure that they are all engaged and involved in contributing to the project outcome. The SA plan informs the timescale, the research activity and communications strategy. A major concern of decision-makers is the need to balance the conflicting expectations and interests of stakeholders.

An example of when a stakeholder analysis would be appropriate is seen in the changes in policy for a hospital. For example, if the leadership team wanted to change behaviours within the hospital towards smoking (and the introduction of a ban across the entire property), the first part of the process would be to investigate who the stakeholders are and what their opinions are towards this behaviour change.

 OVER TO YOU

Activity 4: Stakeholders

Who are the stakeholders in your community?



Figure 1: Stakeholder involvement in a local hospital policy change



 NEED TO KNOW

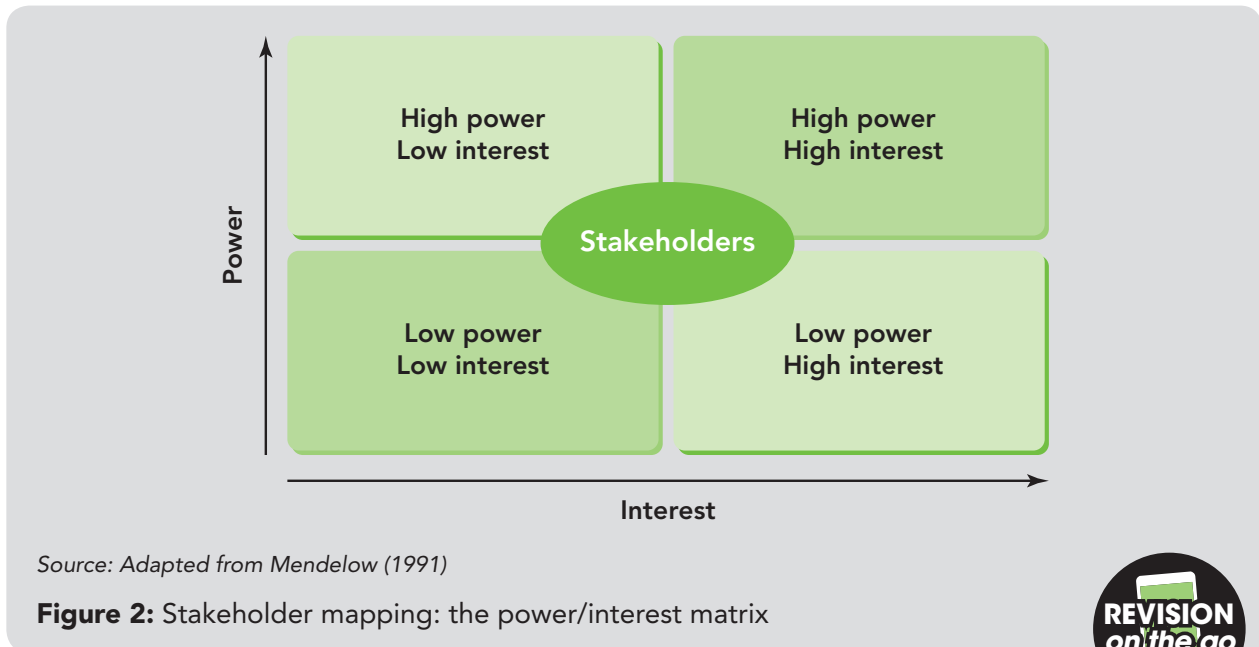
Stakeholder analysis asks...

- Who are the stakeholders in a specific issue or activity?
- What are the expectations and objectives of the various stakeholder groups?
- What are their interests and how interested are they?



It will also examine the relationship of the project to other organisations and groups and how these connections are changing over time. It will assess the **degree of power** (potential for disruption) that the group exercises. This will be useful data about the possibility of replacing the relationships and building new ones during a campaign.

Mendelow's matrix describes four types of stakeholder in any business.²²



Influence of stakeholders

In this ever-changing world, the influence of stakeholders is becoming immense and, if not managed correctly, it leads to project delays, resource drain, political intervention or project termination. For the social marketer, there are five key elements.

1. Mapping

A robust stakeholder analysis (SA), conducted at the start of the planning phase, is essential to the success of any social marketing project. A thorough SA will allow you to identify stakeholders and consider key factors including:

- stakeholder demographics;
- their level of interest in the project;
- their expectations, needs and concerns;
- previous public statements;
- their proximity to your project.

2. Influencers

The level of influence of each of the stakeholders groups must be assessed to enable a prediction of how much impact that stakeholder may have on the project. The degree of possible influence is vast, from strong positive sentiment (and therefore support) through to negative activism and potential rallying of other interest groups against the project.

²² Mendelow, A. (1991), "Stakeholder Mapping", *Proceedings of the 2nd International Conference on Information Systems*, Cambridge, MA

3. Triggers

Each stakeholder group will react differently to different project actions. Many of the foreseeable conflicts and complaints can be avoided by identifying triggers and possible solutions at an early stage. Identifying the likely triggers allows a plan to be put in place to reduce stakeholder resistance and costly complaints.

4. Opportunities

Risk management is critical, but while it is important to focus on those stakeholders most likely to cause disruption, it is important not to lose sight of stakeholders who are well disposed to your project or who will ultimately benefit from it. These stakeholders are a valuable campaign asset.

5. Proactive

A mitigation plan can be drawn up once you have a robust understanding of your stakeholders, their influence and their triggers. The plan must set out risks that must be accepted or avoided and ways to minimise the impact of these risks.

Engaging with your stakeholders through this process will also improve project buy-in, your organisation's credibility and collective ownership of any mitigation measures.

Marketing communication strategies and stakeholders' engagement

Social marketers are heavily involved in the development of effective messages which can change behaviours. The information within the message must provide individuals and organisations with the elements required to achieve behavioural change. The basis of all communication is the transmission of information, ideas, attitudes, or emotion from one person or group to another. The science of communication is rapidly expanding, as new technologies and media extend the way messages are transmitted and received.

There is a collection of theories that focus on how socially valuable information can be promoted (these, collectively, are called social marketing theory). This is used by social and welfare organisations to help promote or discourage various behaviours. The theory outlines a framework that can be used to design, implement and evaluate information campaigns.

The basic concept is that the target audience is identified based on their information need. Once this is done, information is packaged and distributed in a manner that will be easily accessible to the intended audience. The theory behind social marketing is an attempt to understand how societal and psychological factors work in order to successfully manipulate them to improve efficiency. It helps identify the various social and psychological barriers that stop the flow of information through different media. It can offer ideas and ways to overcome these barriers.

Audience awareness

The first step in promoting any new idea, person or behaviour is to create awareness that such a new concept or individual exists. Thus, the awareness is created by using all available channels. These may include news media and the internet. Saturation television coverage can have dramatic effects, but the drawback is the cost. The benefit of using social media is that it is possible to reach out to a wider range of audience. The use of the internet helps reach a younger audience who may not read newspapers or depend on television for information.

Targeting the right audience

When disseminating messages, it is important first to identify the audience. The next step is to find the most efficient means of reaching them, which will cut costs and ensure higher levels of audience penetration.

Reinforcing the message

The psychological problem with new messages is that they are not durable. It is necessary to strengthen the message over time. This is done by repeatedly ensuring that individuals are exposed to the message through different channels.

Cultivate images or impressions

The problem with little awareness is that customers will not actively search for new information. Image advertising is used to generate recognisable and easily understandable pictures. This helps create a favourable setting for promoting the new product.

Stimulate interest

The skill is in encouraging audiences to search for information, by grabbing their attention and stimulating interest. Information (and images) should be made available to the general public. A politician photographed cleaning a beach helps drive home the point that this individual cares for the environment.

Inducing the desired result

The information, having been received by the intended audience, needs to be focused on achieving the desired result. An example would be that a campaign against smoking should ensure that people do stop smoking.

! NEED TO KNOW

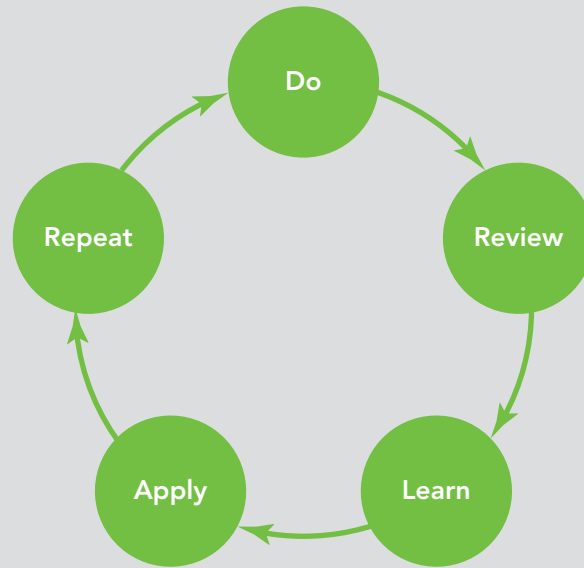
The communication process will involve...

- the sender;
- the message;
- the encoding mechanism for the message (which ranges from word-of-mouth, written, electronic or embedded in other media);
- the transmission method of the message;
- the end receiver;
- the capacity to decode the message;
- the behaviour or action that results.



The social marketer must understand the capacity of the receiver to decode the message. The recipients must be able to recognise the intended meaning. Social marketers look for reference points, by getting feedback from the target market and then adjusting their message. The process is a classic Kolb Model²³ – see Figure 3.

²³ Kolb, D. A. (1976), *The Learning Style Inventory: Technical Manual*. McBer & Co: Boston, MA



Source: Adapted from Kolb (1976)

Figure 3: The Kolb cycle of improvement



OVER TO YOU

Activity 5: Feedback

Why is feedback important in getting a message “right”?

A final element is dealing with “noise”, which is anything in the environment which deflects or stops the transmission and **decoding of the message**. It might be competition from other messages, conflicting interests, the pressure of work or an over complex reception mechanism. The user experience and user interface are part of the real-world research necessary to inform the social marketer of the effectiveness of the campaign.

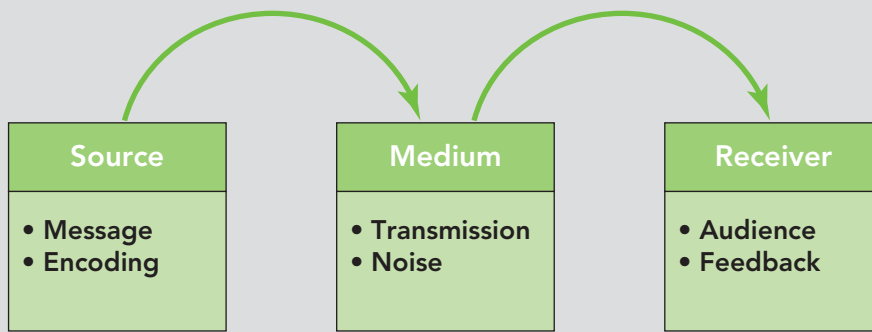


Figure 4: The communication of the message



OVER TO YOU

Activity 6: Communication with stakeholders

Read the abstract from a ground-breaking paper from Morsing and Schultz (2006) and then answer the questions below. The full citation for the paper is given in the footnotes and you should read this in full.

Corporate social responsibility communication: stakeholder information, response and involvement strategies:

While it is generally agreed that companies need to manage their relationships with their stakeholders, the way in which they choose to do so varies considerably. In this paper, it is argued that when companies want to communicate with stakeholders about their CSR initiatives, they need to involve those stakeholders in a two-way communication process, defined as an ongoing iterative sense-giving and sense-making process. The paper also argues that companies need to communicate through carefully crafted and increasingly sophisticated processes. Three CSR communication strategies are developed. Based on empirical illustrations and prior research, the authors argue that managers need to move from “informing” and “responding” to “involving” stakeholders in CSR communication itself. They conclude that managers need to expand the role of stakeholders in corporate CSR communication processes if they want to improve their efforts to build legitimacy, a positive reputation and lasting stakeholder relationships.²⁴

What is meant by a “two-way communication” process?

²⁴ Morsing, M. and Schultz, M. (2006), “Corporate social responsibility communication: stakeholder information, response and involvement strategies”, *Business Ethics: A European Review*, Vol. 15, pp. 323–338

Why do you think the author thinks there is a need to move from “informing” and “responding” to “involving” stakeholders in CSR communication?

Communication and social marketing

- Policy: social marketing helps to ensure policy is based on an understanding of people’s lives, making policy goals realistic and achievable.
- Strategy: social marketing enables you to target your resources cost-effectively, and select interventions that have the best impact over time.
- Implementation and delivery: social marketing enables you to develop products services and communications that fit people’s needs and motivations.



Figure 5: The communication cycle



CASE STUDY: WORLD HUMANITARIAN DAY

There are millions of people around the world affected by humanitarian crises; these include war and drought. The marketing agency Ogilvy & Mather (based in New York) in the run-up to **World Humanitarian Day**, created #ShareHumanity. This was a new tool that allowed people to donate their Facebook or Twitter profile for one day to tell the story of someone involved in a humanitarian crisis. People could choose one from 17 inspiring stories which were created to look as if they were happening to the user. The results were extremely positive with over 20,000 social feeds and 180,000 social media posts during the few days before World Humanitarian Day.



Source: <https://www.wpp.com/sustainabilityreports/2015/our-client-work/engaging-consumers-and-citizens-on-sustainability/sharehumanity/>

READING LIST

- Crane, A. and Desmond, J. (2002), "Societal marketing and morality", *European Journal of Marketing*, Vol. 36 Issue 5/6, pp. 548–569 (This article will be available in your online student resources.)
- Arli, D. Rundle-Thiele, S. and Lasmono, H. (2015), "Consumers' evaluation toward tobacco companies: implications for social marketing", *Marketing Intelligence and Planning*, Vol. 33, Issue 3, pp. 276–291 (This article will be available in your online student resources.)

Summary

This chapter dealt with the background and importance of ethics and corporate social responsibility in the use of marketing practices and their implications for stakeholders and wider society. You should be able to recall case study examples where ethical issues were shown as becoming increasingly important. The concept and importance for big companies of the "triple bottom line" should be understood. This is linked to CSR in marketing practices and, again, we have seen this presented in case studies (e.g. the Rainforest Alliance and World Humanitarian Day).

The chapter also considered the stakeholder perspective and how to communicate with different groups effectively. It is important to develop the ability to identify each stakeholder, by describing their needs, their desires and their influence (primary, direct or secondary). The power of the communication message then can be directed and understood by the right audiences.

Chapter 4

Strategic Development of Responsible Marketing Practices for Societal Benefit

Introduction

This chapter looks at modern social marketing practices from the perspective of societal benefits. The bigger challenges that we all face (such as environmental and health issues) can be approached from the perspective of changes in behaviour by big business and multinational companies. The policies and strategies can increase a company's profit and help reduce their impact on society. The way that this is being approached by various organisations is evaluated and explained.

Learning outcome

On completing this chapter, you will be able to:

- 4 Analyse different marketing approaches for strategic development of responsible practices providing added value to the society

Assessment criteria

- 4 Analyse different marketing approaches for strategic development of responsible practices providing added value to the society
 - 4.1 Discuss societal marketing and the environment
 - 4.2 Evaluate marketing practices from a societal benefit perspective
 - 4.3 Examine the scope, planning and implementation of societal marketing practices

4.1 Societal marketing and the environment

Definitions and meanings

The discipline and theory behind social marketing began in 1971, with Kotler and Zaltman. Their definition was:

“ an adaptation of commercial marketing technologies to programs designed to influence the voluntary behaviour of target audiences to improve their personal welfare and that of the society of which they are a part. ”

Kotler and Zaltman (1971)²⁵

A good example of what differentiates societal from social marketing is a marketing campaign on non-smoking. A direct “stop smoking” advertisement would be an example of social marketing. However, if the marketing strategies, methodologies and techniques focused on increasing the wellbeing of society, then the campaign would be an example of societal marketing. Societal marketing means that an organisation, business or company will make their strategic marketing decisions by first considering consumers’ wants and needs, then the company’s requirements and finally society’s long-term interests.

There have been many attempts to explore the objectives of societal marketing.

- A decision-maker in any business or organisation that is a societally responsible company needs to take actions that improve society’s interests.
- Business leaders accept the role of leadership in helping our society to higher levels of moral conduct.

Business has a duty and responsibility towards the consumer, and it is the duty of that business to promote proper consumption values. Kotler was the first to introduce the idea of social marketing as extending marketing technologies into non-business areas and in addition those of societal marketing.

²⁵ Kotler, P. and Zaltman, G. (1971), “Social Marketing: An Approach to Planned Social Change”, *Journal of Marketing*, Vol. 35, pp. 3–12

He put forward the proposition that:

“the marketing concept and its technologies must be tempered and ultimately revised by adopting a more explicit social orientation.”

Kotler (1976)²⁶

Kotler's work was concerned with the idea of long-term **consumer welfare**. That means the goals of short-term desires might not support the consumer's long-term interests. Indeed, he went further, suggesting that they might not be good for society. Kotler's concept of societal marketing was all about the wellbeing of society. He believed that deficient products should be removed from the market. Rather than focusing on selling just products, services or ideas, which might be right or wrong for consumers, he maintained that the real focus should be on consumer and society wellbeing.

! NEED TO KNOW

Societal marketing is about...

- Responding to the consumer's needs is of the utmost significance.
- Genuine, modern and continuous developments in the product should be executed in the interests of increasing the product's life and value.
- Emphasis should be on building long-term customer relationships and not just on doing business.
- It is all about doing societal good.
- In short, when marketing any product, a business or organisation should keep in mind the consumer, the organisation and long-term societal needs and welfare.



Societal marketing can be defined as marketing with a social dimension or marketing that includes non-economic criteria. Societal marketing has concerns for society's long-term interests. It always involves direct benefit for the organisation and secondary benefit for the community. It makes a clear difference between the immediate consumer's satisfaction and the long-term consumer benefits. Andreas Kaplan defines societal management as:

“management that considers society's overall welfare in addition to mere profitability considerations.”

Kaplan (2009)²⁷

Societal marketing and consumer welfare

Corporate social marketing (CSM) is when the strategic marketing efforts have at least one socially-related objective. This might involve arranging a charity event, or direct connection to a particular charity or charities as part of a company's mission.

²⁶ Kotler, P. and Keller, K.L. (2009), *Marketing Management*. Upper Saddle River, N.J.: Pearson Prentice Hall

²⁷ Kaplan, A. and Haenlein, M. (2009), "The increasing importance of public marketing: Explanations, applications and limits of marketing within public administration", *European Management Journal*, Vol. 27, Issue 1, pp. 197–212

☰ CASE STUDY: THE BODY SHOP

The Body Shop International PLC, trading as The Body Shop, is a multinational cosmetics and skincare company. It is owned by Brazilian cosmetic company, "Natura", but was formerly owned by the French company L'Oréal. The Body Shop was founded by Dame Anita Roddick in 1976 and has a wide range of natural products. It has more than 3,000 franchised stores in 66 countries.



Most companies and organisations know that socially responsible activities will improve their image among customers and therefore shareholders and other stakeholders. Ethical and socially responsible practices are therefore good business and Board Governance. They result in a better public image and ultimately in increased sales. The Body Shop International PLC is well known as an organic and ethical brand; it sells beauty products that use only plant-based materials for its products. Within its mission statement, and embedded in its core values, the Body Shop vows to be:

- against animal testing;
- supporting community and Fair Trade;
- improving self-esteem;
- defending human rights;
- supporting environmental and planet protection.

Their CSR charity, "The Body Shop Foundation" was founded:

"to assist those working to achieve progress in the areas of human and civil rights, environmental and animal protection."

The Body Shop is thus following the concept of societal marketing.

CSM programmes are becoming extremely popular because of business leaders who now believe that it is good for business. Although CSM programmes may be effective in improving brand image and possibly in increasing market share, there are limits to the effectiveness of these initiatives.

It is certainly true that groups of consumers may become cynical and suspicious of behaviours that are performed by big businesses which appear to conflict with their business purpose. A tobacco company that campaigns to prevent under-age smoking would be a clear alarm signal for many consumers. The result could be a backlash that reduces sales and harms profits. The consumers are seeing through a deliberate attempt to deceive them. The term often used for this kind of campaign is "PR stunt" and it is generally seen as an unwise move in marketing.

For an ethically challenged business like a tobacco firm to succeed using a CSM campaign, there would have to be a carefully constructed alignment between their values and those of the partnership they have chosen. This is required to reduce the scepticism of consumers who have historically associated harm with smoking; they will naturally be aware of attempts to camouflage products with the promotion of an ethical event or charity.

They may meet **resistance from consumers** when they undertake socially-oriented campaigns aimed at mitigating the effects of their products. Societal marketing has become an excellent strategy for promotions with social dimensions. It allows companies to explore consumers' behavioural responses to those policies that involve corporate "doing good". Societal marketing is gaining enormous traction with marketers. It works on many levels and has had a positive response from consumers. It is a classic "win-win" scenario for companies, consumers and society.

! NEED TO KNOW

Climate change

The "Momentum for Change" is a UN initiative to publicise the most inspiring activities working to mitigate climate change. They instructed advertising and marketing agency Ogilvy to come up with a powerful campaign using social marketing. They chose to raise the profile and awareness of the initiative before and during the UN's Climate Change conference in Warsaw in 2015. The campaign successfully put the initiative onto the mainstream media agenda and helped spread some positive news. They used commercial marketing techniques in combination with messages that highlighted a global requirement for change.



✎ OVER TO YOU

Activity 1: Achieving a win-win for organisations

Achieving a win-win situation for an organisation is dependent largely upon how the stakeholders react.

What factors affect reaction to societal marketing?

How do the various factors interact?

How can societal initiatives be designed to get a positive reaction?

The societal marketing concept is significant because of the following advantages it has:

- To develop **entrepreneurs** as well as managers in a specified society.
- To raise the living standard of the people.
- To increase the speed of economic development of society.
- To make economic planning more significant and relevant to people's lives.
- To ensure that all the economic resources are directed in the right direction.

The closer that organisations move towards their customers, the more they realise the fact that the objective of any organisational business lies outside the business, i.e. in society. This should drive the organisation to make more of a contribution to the welfare of society and for the greater good.

Societal marketing

Societal marketing is any form of marketing that takes into consideration the needs and wants of the consumer and the wellbeing of society. Societal marketing is marketing combined with social responsibility. Conversely, social marketing uses more traditional commercial techniques and strategies (focusing primarily on selling) to achieve goals for the greater social good. Social marketing campaigns can encourage merit goods. Social marketing focuses more on the result of the marketing (promoting a merit good) while societal marketing is more concerned with the marketing process in general and the marketing strategy used (using marketing techniques that take into account the wellbeing of society).



OVER TO YOU

Activity 2: Achieving a win-win for consumers

To achieve a win for consumers, societal marketing must provide them with compelling benefits.

What benefits does societal marketing provide to consumers?

What direct benefits (such as increased satisfaction) arise because of this interaction?



OVER TO YOU

Activity 3: Corporate social marketing

An organisation or business can agree on a percentage of the cost of a product or service that should be given to a declared charity. Usually, the marketers will look at a product or service which is related to a nominated relevant charity. It might involve sponsoring an event that encourages social wellbeing, such as the Olympic Games.

Corporate social marketing should allow a company or organisation to benefit by improving public relations and perception of the company in a wider context.

Please give an example of this:

Please give an example of a company or organisation that appears to support improvements in the welfare and lives of others in a community:

4.2 Marketing practices from a societal benefit perspective

Social issues and consumerism

Social marketing has become a critical component of improving societal problems like health and the environment. Social marketing is a new way of thinking about some very old human problems. The way social systems work (what we call society) has meant there have always been attempts to inform, persuade, influence, motivate and to gain acceptance for certain sets of ideas. History shows us that there have always been attempts to promote certain causes and to win over particular groups. These have included reinforcing behaviour (keep doing the same thing) or changing it (doing something different).

The various methods have included bribery (financial or otherwise), favour, argument or force. Social marketing has developed from ancient ideas and theories seen in different cultures and the fields of politics, education, and military strategy. It also has an intellectual background in the academic fields of psychology, sociology, political science, communication theory and anthropology. Its practical application is derived from advertising, public relations and market research, social activism, advocacy groups and community organisers.

Social reform campaigns in America included the abolition of slavery, prohibition and suffragette movements. The advent of powerful consumer rights movements led to governments regulating the quality of foods and drugs.

Global campaigns in the last decade have been run for health promotion issues such as:

- anti-smoking
- health and safety
- drug abuse
- drinking and driving
- AIDS
- nutrition
- physical fitness and exercise
- immunisation
- breast cancer screening
- mental health
- breast feeding
- family planning

Social marketing has led campaigns on environmental issues including:

- safer water
- water conservation
- clean air
- energy conservation
- preservation of national parks and forests
- CO₂ emissions
- climate change

It has also been applied to education, the economy and wider issues in society:

- literacy
- staying longer in school
- job skills and training
- investment
- inner city regeneration
- family violence
- human rights
- social justice
- racism

Social marketing uses the most successful elements of the traditional marketing approaches and integrates them with social change. The social marketing action framework utilises advances in communication technology, information technology, big data and marketing skills. It uses a range of techniques to generate discussion and promote information, attitudes, values and better habits. By doing so, it helps to create a climate conducive to social and behavioural change. We have seen that at the core of social marketing is behavioural change, which in turn is central to the pursuit of sustainability. The question that arises for social marketers is how to use community-based social marketing to motivate environmental protection behaviours. The range of challenges indicates how important this understanding is becoming; from water and energy efficiency to new models of green transportation.

Relationship marketing

While all marketing focuses on gaining clients and increasing profits, relationship marketing and transactional marketing take different views of the role of the client. The transactional approach views the client solely as a vehicle for sales, while relationship marketing establishes a relationship with the person behind the sale. The term “**relationship marketing**” (RM) was first seen as a form of marketing developed from **direct response marketing**. It has at its core an emphasis on customer retention and satisfaction with a lesser focus on sales transactions.

RM differs from other forms of marketing in that it is connected to a sustainable approach by retaining clients and customers. It extends communication beyond the straightforward and obvious advertising and sales promotional messages. With the growth of the internet and mobile platforms, relationship marketing has continued to evolve. This has included tools for managing relationships with customers that go beyond demographic and customer service data. RM extends to include inbound marketing efforts, (a combination of search optimisation and strategic content), PR, social media and application development.

Transactional marketing vs relationship marketing

Transactional marketing is a business strategy that focuses on single, point of sale transactions. The emphasis is on maximising the efficiency and volume of individual sales rather than developing a relationship with the buyer. Customer data analytics can reap significant financial rewards for an organisation’s sales, marketing and customer service departments. With so much data to contend with, companies often struggle to make sense of information from customers, public records and external databases. The transactional approach is based on the four traditional elements of marketing, referred to as the 4Ps.

- Product – creating a product that meets consumer needs.
- Pricing – establishing a product price that will be profitable while still attractive to consumers.
- Placement – establishing an efficient distribution chain for the product.
- Promotion – creating a visible profile for the product that makes it appealing to customers.

An alternative to the transactional model, relationship marketing (RM) emphasises customer retention and future interaction with the company. There are advantages and disadvantages to both approaches. Because transactional marketing does not value customer retention, it can lead to passive, reactive and short-term customer relationships. However, traditional elements of marketing such as those listed above will always be crucial to success.



The main disadvantage of the relationship-based model is its relative expense. However, fostering ongoing interaction with buyers through customer relationship management (CRM) strategies typically improves return on investment in the long run. Most organisations include components of both approaches in their strategy.

Societal benefits

Societal marketing is based on the principle of societal welfare. It emphasises that an organisation must make strategic marketing decisions keeping in mind what the consumer wants, the organisational needs and, most importantly, the long-term interests of the wider society. Some consider that societal marketing is nothing but an outgrowth of the principles of corporate social

responsibility and sustainable development. The idea underlining societal marketing is that an organisation should not ignore society's long-term welfare to achieve its mission and vision. An organisation should have moral and environmentally friendly strategies and should ensure that proper acts and laws are implemented.

In today's world of increasing environmental destruction, scarcity of resources, food shortages, and reductions in social services, the societal concept of marketing can be doubted. There are questions about whether organisations are meeting customer satisfaction in line with meeting long-term societal welfare.



OVER TO YOU

Activity 4: The fast food industry is changing

The societal marketing concept was an offshoot of the marketing concept. An organisation that believes in giving back to society by producing better products is targeted towards society welfare. Some have questioned whether the marketing concept is an appropriate philosophy in an age of environmental deterioration, resource shortages, explosive population growth, world hunger and poverty, and neglected social services. The fast-food hamburger industry always faces criticisms about their unhealthy food. Recognising these criticisms, companies like McDonald's have added healthier items to their menu. They have rebranded using green colour schemes, added healthier offerings and introduced environmental initiatives. These have included replacing the standard polystyrene foam sandwich box with paper wraps and lightweight recycled boxes.

McDonald's provide tasty food, but this still prompts health concerns.

How can they change this image?

The burgers are high in fat and so are the fries and pies. The products are packed in handy packaging – generating lot of waste.

How can McDonald's reduce waste from packaging and show they are changing?

In the process of satisfying their customers, these fast-food outlets are creating increasing health concerns as well as environmental issues.

How are they addressing health issues and getting their message across?

Are companies that successfully satisfy consumer wants necessarily acting in the best, long-term interests of consumers and society? The marketing concept sidesteps the potential conflicts among consumer wants, consumer interests and long-run societal welfare. Yet some firms and industries are criticised for satisfying consumer wants at society's expense.

CASE STUDY: THE "FISH FORWARD" CAMPAIGN

In 2015, the WWF (World Wide Fund for Nature) instructed the marketing agency J. Walter Thompson (based in Vienna and Düsseldorf), to launch the "Fish Forward" campaign. Its aim was to raise awareness of sustainable fish consumption. The campaign draws consumers' attention to the social, ecological and economic impacts of seafood choices and shows the effects of over-fished oceans on people in developing countries. The result of the campaign was that it reached 95 million consumers, across 11 countries. Its impact on long-term behaviours and habits is still being evaluated.

Source: © WWF Austria



Cause-related marketing and consumer confidence

The societal marketing concept calls for social and ethical considerations to be built into an organisation's marketing practices. They must balance their profit-making duty to shareholders and employees with their duties to the customer, in the face of intense public scrutiny. In spite of the difficulties in balancing competing interests, many companies have achieved appreciable sales and profit gains through their adoption of, and adherence to, the societal marketing concept. A form of the societal marketing concept practiced by certain companies is called **cause-related** marketing. The researchers Pringle and Thompson define this as:

“an activity by which a company with an image, product, or service to market builds a relationship or partnership with a cause, or multiple causes for mutual benefit.”

Pringle and Thompson (1999)²⁸

Such companies deem an association with a charity or sponsorship of a "cause" as an opportunity to enhance their corporate reputation by a display of corporate good citizenship. In any event, the associated press coverage could be expected to lead to greater sales via increased brand awareness customer loyalty. Critics of cause-related marketing argue that consumers may be dissuaded from charitable impulses themselves, on the basis that they have already "given" to charity once, via the organisation. Cause-related marketing chiefly differs from societal marketing in that the organisation itself makes a proactive and very public effort to give back to society.

Cause-related marketing has developed rapidly in the last few years even though it is a relatively young concept. Its origins were in the early 1980s in the USA and can be traced (on an international stage) from when American Express joined forces with the not-for-profit group which was raising funds to restore the Statue of Liberty. The campaign declared that American Express would give a proportion of every purchase (on its credit card) to this dedicated cause. The company further pledged a donation for every new application (with the condition that the application had to be successful). It was then backed by a massive marketing budget with television advertising in many hundreds of countries.

²⁸ Pringle, H. and Thompson, M. (1999), *Brand Spirit: How Cause Related Marketing Builds Brands*. John Wiley & Sons

The results were spectacular and unique for their time. The partner was called “The Restoration Fund” and the campaign raised over US\$1.7 million. The benefit for American Express was also extraordinary. The AMEX card use rose by over 27% and new card applications increased 45% (year on year). It was even more ground-breaking because the campaign lasted just three months.²⁹

The principle of finding a win-win campaign was thus established. The carefully selected charitable cause (The Restoration Fund) gained much-needed funds, and American Express massively increased its sales (and potential new sales through new card holders) and achieved a reputation for social responsibility.

The story then developed as American Express trademarked the term, “cause-related marketing”. From these early attempts at cause-related campaigns, many companies now use the term “doing well, while doing good”.

Many observers believe that when there is economic uncertainty, cause-related marketing may become the core to businesses delivering on their social responsibility commitments. Cause marketing campaigns grew from a relatively small base of US\$120 million, in 1990 to an estimated more than US\$2 billion in 2016.

The real success story lies in the fact that consumers are also enjoying this sort of campaign. The latest research reveals that more than 84% of global consumers want to buy socially or environmentally responsible services and products.

It should be noted that there are many variations on cause-related marketing being used today. On a basic level, it is an understanding between a business and a not-for-profit organisation, to obtain a reward (usually money) for a particular cause.

The company also expects to profit from this deal, by selling more products (or gaining potential customers) and also by enjoying the “halo effect” of being associated with a respected not-for-profit cause. It is not an anonymous donation to charity and is not a low-key and quiet way of doing good work. It is a clear and visible gesture that lets the public know what it is doing and how it is benefiting the cause. The not-for-profit cause also benefits both financially and through gaining a higher public profile, as a direct result of the PR associated with the campaign.

CASE STUDY: CAUSE-RELATED MARKETING – COCA-COLA

One global brand that is most certainly at the top of this list is Coca-Cola. It is very much in tune with its consumers and is constantly creating innovative ways in which to engage with its consumers through marketing that matters and products that best satisfy consumer requirements. The development of its current Marketing that Matters platform is Coca-Cola RockCorps. It epitomises these marketing objectives and provides great insight on how to use cause related marketing effectively. Coke “shares happiness” in the music space, which is related to an important cause – teenage volunteering. In this way, the brand typifies the innovation process of adding more value to a product in a socially desirable way. This type of cause-related marketing is central to Coke’s marketing strategies – to give consumers the benefits they want.



²⁹ Daw, J. (2006), *Cause Marketing for Nonprofits: Partner for Purpose, Passion, and Profits*. John Wiley & Sons

Coca-Cola RockCorps encourages teens to live an active lifestyle through volunteering, giving four hours of their time to help uplift their very own local community and, in return, earning a ticket to a music concert that money can't buy. When cause-related marketing works well, everyone wins – the company, the cause and the consumer. In business terms, this is known as a win-win-win situation. Every brand worth its weight in the world today is looking for the right cause to link its marketing to; watch this space as it is only getting bigger and better with more value for all.

4.3 The scope, planning and implementation of societal marketing practices

The societal marketing concept puts collective human welfare before all other considerations, be they profit margins or consumer satisfaction. In societal marketing enormous emphasis is placed upon social responsibility and the notion that developing a marketing strategy for the benefit of the customer and the improvement of the wider society is crucial to any company's ability to attain and maintain long-term success. Societal marketing assumes that if a company considers customer desires, its own business requirements and society's long-term interests, it will make better marketing decisions than if it merely considers its own profits through the medium of customer wants. This idea is supported by the favourable image of the company created in the public eye by its societal marketing efforts and the corresponding increase in sales.

Societal marketing shares certain similarities with CSR and sustainable development. It calls for socially and environmentally responsible marketing, which must be sustainable, and which must meet current business and consumer needs and also enable those of the future to themselves be met.

In the face of dire warnings about global warming no company would boast of its contribution to the problem, as prevailing public opinion demands our collective resources be used in a better way.

Corporate societal marketing planning

Societal marketing campaigns were much in vogue in the 1950s in those nations which were home to large corporations and multinationals at the very time when activism and social movements gathered momentum. In the west, democracy and social justice were increasingly being viewed as a "right" by the populations of economically developed countries and accordingly, some of these companies were suspected of agitating for regime change or evasion of proper regulation. The worry was that the unseen forces behind the rise of mass production (and mass consumption) and therefore the midwives of the large corporations would gradually lower the standards of business performance. Efficient and rational business practices were perceived to be causing harm to society and nations and by the 1960s, activists were demanding higher business standards, tighter governance and increasingly ethical production. The differences between modern and post-modern organisations began to be debated and Not-for-profit organisations began to seek a share of the profits and access to the funds. The concept of societal marketing surfaced in 1972, as an organic reaction to the publication of unethical company practices in the 1960s and 1970s; it was a more socially responsible, moral and ethical model of marketing, countering the focused **consumerism**.

The terms “social marketing” and “societal marketing” were introduced by Philip Kotler.³⁰ This move to a more ethical, more socially responsible marketing model grew out of existing CSR concepts and the ideals of sustainable development. The model may have been adopted by companies in a drive to improve their public image, but it allowed customer needs to service social welfare.

! NEED TO KNOW

Societal marketing is all about...

Organisations and companies should balance various considerations in setting their marketing strategies:

- company profits
- consumer wants
- society’s interests

This means they need to consider:

- society (human welfare);
- products and services should satisfy the consumer’s needs;
- building long-term customer relationships;
- providing satisfactory products.
- consumer satisfaction;
- long-term profits and goodwill;
- being socially responsible;



Objectives and benefits of societal marketing

The objectives of societal marketing include:

- creation of a better company image (and by extension a more negative image of competitors);
- maintenance and development of a long-term relationship with customers;
- fulfilling social responsibilities;
- developing community awareness towards company brands;
- increasing market share and consumer base.

Societal marketing benefits include:

- creation of a better company image;
- creation of competitive advantage over competitors;
- assisting customer retention and development of a long-term relationship with customers;
- increasing sales and market share;
- facilitating expansion and growth in the long-term;
- generation of products, services and ideas which benefit wider society;
- use of economic resources for society’s gain.

Societal marketing ensures better economic planning, increases the welfare and general living standard of society as a whole and has a powerful impact on society by setting a good corporate example.



30 Kotler, P., and Keller, K.L. (2009), *Marketing Management*. Upper Saddle River, N.J: Pearson Prentice Hall

The power of societal marketing lies in its direct influence on society, the environment and also businesses. It has developed from the objection of many people to a consumerist and profit-only business model. The extra-ordinary result of societal marketing is that it can do two things simultaneously: increase profits and improve the relationships with consumers. Through the development of products that improve the long term wellbeing of society, businesses can also satisfy client expectations and improve their profits.

Kotler argued that products that did not work (or were harmful) must be removed from sale or replaced; in addition companies should make products that brought positive benefits to their customers and long-term benefits to society. Societal marketing emphasises the importance of social consciousness as part of the overall marketing plan. It involves a company marketing a (good/positive) product not only with consumer and company needs in mind, but also the long-term wellbeing of society.

Long-term benefits

According to Kotler, there were four categories of products based on long-term benefits and consumer satisfaction:

- 1 Products that do not bring either long-term or short-term benefits.
- 2 Pleasing and positive products, that bring a high level of satisfaction but can cause long-term harm to a community or society.
- 3 Products that bring low short-term satisfaction and have little value in helping society in the long-term.
- 4 Positive and desirable products that bring both long-term benefit and immediate consumer satisfaction.



Societal development and environmental protection: green marketing

In general, marketers have focused on customer needs and wants in their marketing decisions for long-term profitability. They are now realising that they have to include societal interests in their marketing decisions. These decisions have become embedded in their growth strategies for profit.

! NEED TO KNOW

Eco-friendly marketing

- Companies that place an emphasis on recycled products and organic products that are not going to damage the environment will follow a societal marketing strategy.
- Companies that make products from recycled materials can market themselves as a company concerned about the long-term impact on society.
- This does not just apply to the materials used for producing products. Some companies market themselves as “green” and emphasise that they use recycled packaging in the day-to-day operation of the business and consider the transport of their products (including their carbon footprint), as well.



Customers and society should be able to exist in harmony for long-term success. It is a powerful concept that needs nourishing. The knowledge that a company or organisation offering a product

or service to the customer will have a direct beneficial impact on society is critical for successful societal marketers.

Their role is to understand the needs, the wants and interests of a target market and to deliver on a promise to improve society's wellbeing. A company's marketing effort needs to address environmental and economic problems if it is going to be effective. They can focus on limitations of resources (e.g. over-use of oil to make plastic packaging and bags) and reduction of the impact of pollution (e.g. plastic bags and packaging in the oceans that do not breakdown for hundreds of years). The basis of all societal marketing is to achieve a working balance between profit, the customers' wants and needs and society's interest.

Social responsibility and marketing ethics

Societal marketers expect companies to act in a socially responsible manner, taking into account **marketing ethics**, because they know they will gain goodwill and increase their profits. The modern customer reacts badly to companies with poor environmental track records, or if companies are not being "**green**". This gives socially responsible companies an advantage over competitors and the shareholders can see real benefit in implementing this strategy.

Companies that produce effective societal marketing campaigns incorporate social and ethical considerations into their marketing plan. There are many ways that a company can accomplish this goal. These may include using the following strategies:

1 Societal marketing with a defined purpose and strategy

By having an agreed purpose and vision behind what a company is doing in the field of societal marketing, it will meet the needs and aspirations of its customers and achieve long-term societal good. Using its active social conscience as a new way to attract consumers, (and the research indicates that consumers genuinely like this approach) it also helps society. This win-win situation is being adopted strategically by big businesses.

2 Improving consumer health

Many of the most successful marketing campaigns address the health benefits to the consumer and, as a result, fall into the "societal marketing" strategy. An example of this approach is the emphasis on "organic ingredients" and the inclusion of labels like "zero sugar", "no added chemicals" and "healthy bacteria". This apparent real concern for consumer health has become a strong point in the marketing process. The way that products have greater sales when they place a higher value on consumer health is an increasingly important part of the marketing mix. Societal marketing is about meeting consumer needs; the company needs and their long-term benefit of society and its members.

3 The rise of eco-friendly marketing

There is no doubt that there has been an increasing drive for companies to look at sustainability and recycling in their offering. There has been a reduction in products that damage the ozone layer and this can be included in the societal marketing strategy. The number of companies that make products from recycled materials has increased. Such businesses can then market themselves as companies which are concerned about their long-term impact on society.

4 Signposting that they are supporting local farms and local business

Increasing attention is being paid to the number of "food miles" that a product, ingredient or material has had to travel before it can be consumed. These factors play well with the public and support for local industries, farmers and products are seen as a positive move. If businesses can show that they do not import raw materials and instead use a local variation, they are using a form

of societal marketing. This takes into account the wellbeing of a local social structure. A company that purchases raw materials from local farmers or other businesses can market its products using this fact as a key part of its marketing strategy.

The aim of societal marketing is for a company to meet its own needs and the needs of a consumer while considering the long-term good of society. This type of marketing uses its socially conscious stance to attract consumers who may appreciate the company's desire to market its products with consideration for society. As a result, the company's concern for society, seemingly before profit, positions it in a favourable light and in fact may actually help sell more products.

“*Social marketing strategy should deliver value to customers in a way that maintains or improves both the consumer's and society's wellbeing*”

Marković and Barjaktarović Rakočević (2014)³¹

Marketing campaigns that emphasise consumer health fall into the societal marketing strategy. These might include companies that market “organic ingredients”, “no chemicals” and “no additives” in their products. They are considering consumer health in making their products. The concern for consumer health then becomes a strong point in the marketing process. Products that place a high value on consumer health fulfil the societal marketing criteria of meeting consumer needs, company needs and the long-term benefit of society for its members.

📄 CASE STUDY: GIVING BACK TO THE COMMUNITY

One of India's giant business corporations is Hindustan Unilever Limited (HUL). This is a consumer goods company based in Mumbai, Maharashtra. It employs over 16,000 people, while also indirectly helping to facilitate the employment of over 65,000 people.



HUL's products and service include foods, drinks, cleaning agents, personal care products and water purifiers. Its distribution covers over 2 million retail outlets across India and its products and services are available in over 6.4 million outlets in the country. An astonishing fact is that (according to Nielsen market research data) two out of three Indians use HUL products.

HUL is now delivering on its commercial goals and fulfilling social responsibilities while serving society. As a part of its corporate social responsibility, HUL has taken steps to improve the conditions within a local community. For example, in Mumbai, it is directly involved in a project called “Asha Daan”. This is a home for disadvantaged and disabled children and people who have the disease AIDS.

At the Dooma plantation in Assam, it runs Ankur, a centre for special education for physically and mentally challenged children. In Bachua Taluka of Gujrat, HUL helped in the reconstruction of a village (Nani Chirai) which had been destroyed by a massive earthquake. HUL was responsible for the building of a new school, a community centre, a healthcare centre and village administration office.

Their positive involvement in the community is an example of a societal marketing campaign.

³¹ Marković, A. and Barjaktarović Rakočević, S. (2014), *Proceedings of the XIV International Symposium SYMORG 2014: New Business Models and Sustainable Competitiveness*. FON

Some companies and organisations are achieving increased sales and profit gains by adopting and practising societal marketing strategies. There is a growing opinion that all businesses and organisations need to act in socially responsible manner. They might also choose to stop to making poor products or wasteful product lines. They will need to develop their relationship with their customers, the community and the natural environment. The ultimate promise is increased profit, as it becomes linked with their desire to be socially responsible. The bottom line is that for a company or business to be successful, it must contribute towards the wellbeing of the society in which it operates and to the environment.



OVER TO YOU

Activity 5: Review

What do you understand by the following terms?

Social marketing

Societal marketing

Corporate social responsibility (CSR)

Outline social marketing plan checklist

As a summary, this is a template for how a marketer would plan and implement a social (or societal) marketing campaign. You do not need to complete it, but put yourself in the shoes of a marketer and imagine what you would need to do using the knowledge you now have.

Social marketing plan	Check/Status (Not started, WIP, complete)
<p>Executive summary</p> <p>Brief summary, highlighting the target audiences, what you hope to achieve, the activities that will be involved, the resources required, timescale, and how you will monitor and evaluate success.</p>	
Main plan	
<p>Problem</p> <p>Set out the challenge (challenge/problem statement) and context (e.g. SWOT)</p>	
<p>Resources / assets</p> <p>Set out the human and financial resources and assets available or which could be secured</p>	
<p>People</p> <p>Summarise the audience profiling/segmentation/prioritisation</p>	
<p>Behaviour</p> <p>Summarise the behavioural analysis – identifying key influences and influencers, benefits and rewards, blocks and barriers for the problem and desired behaviours; identify competing behaviours</p>	
<p>Marketing objectives and behavioural goals</p> <p>Set out aims and objectives for the work Establish clear achievable behavioural goals</p>	
<p>Proposition</p> <p>Set out what you are offering (the core benefits)</p>	
<p>Product/service development</p> <p>The product/service strategy: what to do, and how to deliver valued benefits The price strategy: reducing costs and increasing value The place strategy: where to reach people and where behaviour occurs The promotion: communications plan</p>	
<p>Monitoring, evaluation and follow-up plans</p> <p>Detail the baseline and indicators to monitor and measure – process/outcome Detail the plan to undertake or commission aspects of the evaluation</p>	

<p>Budget</p> <p>Set out costs for implementing the marketing plan, including evaluation</p> <p>Detail any anticipated incremental cost savings or revenues</p>	
<p>Implementation plan</p> <p>Set out who will do what, and when; schedule work with clear roles and responsibilities</p>	

READING LIST

- Kärnä, J. Hansen, E. and Juslin, H. (2003), "Social responsibility in environmental marketing planning", *European Journal of Marketing*, Vol. 37, Issue 5/6, pp. 848–871 (This article will be available in your online resources.)
- Hovland, I. (2005), *Successful Communication: A Toolkit for Researchers and Civil Society Organisations* [online]. Available at: <https://www.odi.org/publications/155-successful-communication-toolkit-researchers-and-civil-society-organisations> [Accessed on: 13 September 2017]

Online resources:

- Articles and reports from The National Social Marketing Centre (UK): <http://www.thensmc.com/publications>
- A social marketing strategy report from Public Health England: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/445524/Marketing_report_web.pdf
- A pro bono showcase of work from WPP plc, a multinational advertising and public relations company: <http://www.wpp.com/probono/2015/showcase/>

Summary

You should now understand the different marketing approaches that provide added value to society. The definition of societal marketing should be clear, as well as its increasing impact on long-term good and link to commercial gain. Societal marketing is any form of marketing that takes into consideration the needs and wants of the consumer and the wellbeing of society; it is marketing combined with social responsibility.

Conversely, social marketing uses more traditional commercial techniques and strategies (focusing primarily on selling) to achieve goals for the greater social good. Social marketing campaigns promote merit goods. Social marketing focuses more on the result of the marketing while societal marketing is more concerned with the marketing process in general and the marketing strategy used (using marketing techniques that take into account the wellbeing of society). An example of an organisation implementing CSM is The Body Shop, where there are clear benefits for the consumer, the environment and the business.

The use of societal marketing plays a part in preventing the dangers of climate change, environmental pollution and over-fishing. The massive potential that societal marketing has and its widespread application can be seen in the context of global issues.

Glossary

Affective component The affective component refers to the feelings or emotions a person has when faced with an attitude object.

Audience A target audience is the intended audience or readership of a publication, advertisement, or other message. In marketing and advertising, it is a particular group of consumers within the predetermined target market, identified as the targets or recipients for a particular advertisement or message.

Behavioural goals Considering the insight gathered and the behavioural analysis carried out, behavioural goals and objectives need to be set for what you aim to achieve with the target audience/s.

Belief – feeling – intention Consumer attitudes are a composite of a consumer's beliefs, feelings about and behavioural intentions toward some object--within the context of marketing, usually a brand or retail store. These components are viewed together since they are highly interdependent and together represent forces that influence how the consumer will react to the object.

Big data Extremely large data sets that may be analysed computationally to reveal patterns, trends, and associations, especially relating to human behaviour and interactions.

Bottom line Bottom line refers to a company's net earnings, net income or earnings per share (EPS). The reference to "bottom" describes the relative location of the net income figure on a company's income statement. Most companies aim to improve their bottom lines through two simultaneous methods: growing revenues (i.e., generate top-line growth) and increasing efficiency (or cutting costs).

Brand building To increase the knowledge of a product or service by a target audience. An example might be for products like electronics (Apple) and how they market through adverts.

Bytes Historically, the byte was the number of bits used to encode a single character of text in a computer and for this reason it is the smallest

addressable unit of memory in many computer architectures.

Cause-related This is a form of marketing in which a company and a charity team up together to tackle a social or environmental problem and create business value for the company at the same time.

Clear water A product, service or idea that is different from competitors – see unique selling position (USP).

Cognitive component Includes beliefs and past knowledge about an issue or event

Competition In economics, "competition" is the rivalry among sellers trying to achieve such goals as increasing profits, market share, and sales volume by varying the elements of the marketing mix: price, product, distribution, and promotion.

Conative component Conation (from the Latin conatus) is any natural tendency, impulse, striving, or directed effort.

Consumer decision-making Consumer behaviour is the process consumers go through when they make purchases and it involves factors that influence their decision and usage. The consumer decision-making process involves five steps that consumers move through when buying a good or service.

Consumer insights Consumer insights provide understanding that leads to marketing on a more direct and personal level.

Consumerism A social phenomenon that empowers the buyers and consumers. Its effects are visible in the laws, regulations and the marketing practices. It keeps a check on the companies and ensures that the consumers get quality products which are safe for them at the correct price.

Consumption In economics, the use of goods and services by households. Consumption is distinct from consumption expenditure, which is the purchase of goods and services for use by households.

Cookies A small text file (up to 4KB) created by a website that is stored in the user's computer either temporarily for that session only or permanently on the hard disk (persistent cookie). Cookies provide a way for the website to recognise you and keep track of your preferences.

Corporate governance Corporate governance is the system of rules, practices and processes by which a company is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community.

Corporate social responsibility (CSR) CSR is an overall package of initiatives and practices that are planned and placed into action by companies for ongoing societal prosperity.

Customer needs A need is a desire that causes a customer to buy a product. If customers buy products to satisfy needs, then needs provoke customers to buy products. But this definition is vague; it does not give any direction to product teams or market researchers on how to understand what customers want.

Customer satisfaction Customer satisfaction (often abbreviated as CSAT, more correctly CSat) is a term frequently used in marketing. It is a measure of how products and services supplied by a company meet or surpass customer expectation.

Customer value analytics (CVA) Process by which data from customer behaviour is used to help make key business decisions via market segmentation and predictive analytics. This information is used by businesses for direct marketing, site selection and customer relationship management.

Customer wants Demand is the economic principle that describes a consumer's desire, willingness and ability to pay a price for a specific good or service. On the other hand, a consumer want is the desire for products or services that are not necessary, but which consumers wish for. For example, food is considered a consumer need.

Decoding of the message Understanding what an advert or campaign is saying (by the consumer).

Differentiation A process of distinguishing a product or service from others, to make it more attractive to a target market. This involves differentiating (see also USP) it from competitors' products as well as a firm's own products.

Direct response advertising Targeted strategies to gain a change in behaviour from groups using mailing, e-mail shots and other communication pathways.

Direct response marketing Using the older version of message delivery via postal and leaflet handouts – usually direct to the consumers.

Dow Jones Sustainability World Index (DJSI World) This index was launched in 1999, and is among a family of indices, evaluating the sustainability performance of the largest 2,500 companies. They are now the longest-running global sustainability benchmarks worldwide and used by stakeholders on an annual basis. They have become the key reference point in sustainability investing for investors and companies.

Economic development Economic development is the process by which a nation improves the economic, political, and social wellbeing of its people. Whereas economic development is a policy intervention endeavour with aims of economic and social wellbeing of people, economic growth is a phenomenon of market productivity and rise in GDP.

Emotional signature Research shows that all organisations and businesses have an emotional signature, which is a level of emotional engagement with their customers. These emotions are displayed in every part and touch point of a customer experience, from branding efforts to long after the interaction is complete.

Engagement Engagement marketing, sometimes called experiential marketing event marketing, live marketing, or special events, is a marketing strategy that directly engages consumers and invites and encourages them to participate in the evolution of a brand or a brand.

Entrepreneurs Entrepreneurship has traditionally been defined as the process of designing, launching and running a new business, which typically begins as a small business, such as a start-up company, offering a product, process or service for sale or hire. The people who create these businesses are called entrepreneurs.

Esteem needs Esteem needs refer to the need for respect, self-esteem, and self-confidence. Esteem needs are the basis for the human desire we all must be accepted and valued by others.

Ethics As a branch of philosophy, ethics investigates the questions “What is the best way for people to live?” and “What actions are right or wrong in particular circumstances?” In practice, ethics seeks to resolve questions of human morality by defining concepts such as good and evil, right and wrong, virtue and vice, justice and crime. As a field of intellectual enquiry, moral philosophy also is related to the fields of moral psychology, descriptive ethics, and value theory.

Exchange Considering both the benefits and the costs of encouraging people to adopt a new behaviour. This will help maximise the benefits and minimise the costs, to create an attractive exchange.

Focus groups A group of people assembled to participate in a discussion about a product before it is launched, or to provide feedback on a political campaign, television series, etc.

FoMo Fear of Missing out – using the human psychological fear of missing out on something (usually good), like a limited free offer.

Guerrilla marketing Advertisement strategy concept designed for businesses to promote their products or services in an unconventional way with little budget to spend. This involves high energy and imagination focusing on grasping the attention of the public in more personal and memorable level.

Hierarchy of needs Abraham Maslow proposed five different kinds of human needs, beginning with the most basic: survival. Physiological needs, such as food and shelter, are followed by needs related to safety and emotional wellbeing.

Human rights All human beings are born free and equal in dignity and rights. – Article 1 of the United Nations Universal Declaration of Human Rights (UDHR).

Intangible When marketing a product or service, there are many different approaches marketers can take to get the attention of the potential customer. Understanding intangibles in marketing is valuable in appealing to a person’s emotional response.

Integrated marketing communications (IMC) An expansion of existing marketing strategies, to optimise the communication of a consistent message of the company’s brands to stakeholders. It uses methods to improve communication of the benefits of each channel which, when combined, builds a clearer and vaster impact than if used individually. IMC requires marketers to identify the boundaries around the promotional mix elements and to consider the effectiveness of the campaign’s message.

Intervention Intervention method targets the area of weakness in a marketing strategy and looks to change it using direct action.

Macro-marketing Looks at large populations and is concerned with mass change in behaviours.

Marketing Marketing is the study and management of exchange relationships – activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

Marketing ethics Marketing ethics is a term that acts as a silent operator demonstrating moral values and principles by way of promoting responsible and transparent communication.

Marketing mix It is a set of constructs ranging from 4Ps (price, product, promotion, place) to 7Ps (4Ps + process, people and physical evidence) used by companies to optimise marketing a brand and/or product and its relative attributes.

Marketing surveys Marketers speak to members of a target audience, which is an important part of market research. When

conducting any type of survey, whether it is a focus group, a questionnaire or a phone survey, it is important to pay attention to customers who complain or give negative feedback.

Market offering Market offerings are some combination of products, services, information, or experiences offered to a market to satisfy consumer needs or wants.

Market research The action or activity of gathering information about consumers' needs and preferences.

Market segmentation Defined as the activity of dividing the potential market in to defined groups of consumers.

Media Media is used about mass communications, where media are newspapers, radio, the internet, and so on. It is also used in science, where medium usually means an intervening substance through which something is transmitted.

Media advocacy Media advocacy is a new strategy that is emerging in the public health community. It has been particularly visible in communities of colour. Media advocacy is defined as the strategic use of mass media to advance public policy initiatives.

Media impressions An impression (in the context of online advertising) is when an ad is fetched from its source, and is countable. Whether the ad is clicked is not considered. Each time an ad is fetched, it is counted as one impression.

Micro-marketing Micro-marketing has come to refer to marketing strategies which are variously customised to local markets, to different market segments or to the individual customer.

Mindfulness A mental state achieved by focusing one's awareness on the present moment, while calmly acknowledging and accepting one's feelings, thoughts, and bodily sensations, used as a therapeutic technique.

Non-profit organisations Also known as not for profit organisations; this is a type of organisation that does not earn profits for its owners. All the money earned by or donated to a not-for-profit organisation is used in pursuing the organisation's objectives and keeping it running.

Typically, not-for-profit organisations are charities or other types of public service organisations.

Norms In marketing, norms are social expectations that guide behaviour. Norms explain why people do what they do in given situations. For example, in many countries, it is a norm that people shake hands when they are formally introduced (but not in others).

Opportunity costs The loss of other alternatives when one alternative is chosen.

Peer group A group of people of approximately the same age, status and interests.

Peer-reviewed Peer review is the evaluation of work by one or more people of similar competence to the producers of the work (peers). It constitutes a form of self-regulation by qualified members of a profession within the relevant field.

People-centred approach A person-centred process involves listening, thinking together, coaching, sharing ideas, and seeking feedback.

Physiological needs Physiological needs are the foundation of Maslow's hierarchy of needs and include survival needs such as the need for sleep, food, air, and reproduction. Physiological needs are the requirements we all need individually for human survival.

Positioning Refers to the place that a brand occupies in the mind of the customer and how it is distinguished from products from competitors. In order to position products or brands, companies may emphasise the distinguishing features of their brand (what it is, what it does and how, etc.) or they may try to create a suitable image (inexpensive or premium, utilitarian or luxurious, entry-level or high-end, etc.) through the marketing mix.

Price points Points on a scale of possible prices at which something might be marketed.

Promotion The advancement of a product, idea, or point of view through publicity and/or advertising.

Psycho-demographics A geographic target market can be consumers in a city, state, or country. A demographic or socioeconomic target market would focus on a specific gender, age group, income level, or education level. A psychographic target market would be a market that has similar attitudes, values, or lifestyle.

Psychological costs Psychological pricing (also price ending, charm pricing) is a pricing/marketing strategy based on the theory that certain prices have a psychological impact.

Public relations (PR) Public relations are a strategic communication process that builds mutually beneficial relationships between organisations and their publics. Public relations can also be defined as the practice of managing communication between an organisation and its publics.

Qualitative Qualitative research is primarily exploratory research. It is used to gain an understanding of underlying reasons, opinions, and motivations. It provides insights into the problem or helps to develop ideas or hypotheses for potential quantitative research.

Quantitative Quantitative methods emphasise objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques.

Real-world research Real-world research is a common responsibility of professionals and practitioners in a wide range of both public and private settings. These include teachers, social workers and health service professionals, managers and specialists in business, architects, designers, criminologists and accountants among many others.

Resistance from consumers People disliking or being unwilling to buy a product or service: meet with/overcome consumer resistance.

Return on investment (ROI) Return on investment (ROI) measures the gain or loss generated on an investment relative to the amount of money invested. ROI is usually expressed as a percentage and is typically used for personal financial decisions, to compare

a company's profitability or to compare the efficiency of different investments.

Safety needs In Maslow's hierarchy these refer to the need for security and protection. When we have our physiological needs for food and water met, our safety needs dominate our behaviour. These needs must do with our natural desire for a predictable, orderly world that is somewhat within our control.

Segmentation Identifying audience "segments" which have common characteristics. These segments will inform the interventions appropriately.

Segments Market segmentation is the process of dividing a market of potential customers into groups, or segments, based on different characteristics. The segments created are composed of consumers who will respond similarly to marketing strategies and who share traits such as similar interests, needs, or locations.

Self-actualisation needs Represents a concept derived from Humanistic psychological theory and, specifically, from the theory created by Abraham Maslow. Self-actualisation, according to Maslow, represents growth of an individual toward fulfilment of the highest needs; those for meaning in life, in particular.

Self-worth and self-esteem Self-esteem is what we think and feel and believe about ourselves. Self-worth is recognising what you can do and how you behave; having self-esteem means feeling good about ourselves.

Social marketing A planned marketing approach developed with an intention to influence behaviour for the benefit of individuals.

Social needs The five stages in Maslow's hierarchy of needs in order from lowest to highest level include physiological, safety, social (love and belonging), esteem, and self-actualisation. Each need must be met from lowest (physiological) to highest (self-actualisation).

Societal marketing An organisational marketing approach taking sustainable society's interest into consideration for the benefit of all.

Spam Email spam, also known as junk email, is a type of electronic spam where unsolicited messages are sent by email. Many email spam messages are commercial in nature but may also contain disguised links that appear to be for familiar websites but in fact lead to phishing web sites or sites that are hosting malware.

Stakeholder analysis (SA) Used in project management, conflict resolution and business administration. It is the process of working out the impact of a decision on relevant parties. This information is used to assess how the interests of those stakeholders should be addressed in a project plan, policy, programme or other action.

Stakeholders People with an interest or concern in something, especially a business.

Stimuli Characteristics that affect customer behaviour. Marketers try to work out what goes on in the mind of the customer. A buyer's characteristics influence how he or she perceives the stimuli; the decision-making process determines what buying behaviour is undertaken.

Sustainable behaviour change In recent years a range of programmes, funded by the public sector, have tried to "educate" the consumer around several important health and environmental issues, hoping to bring about behaviour change.

Sustainable development Economic development that is conducted without depletion of natural resources.

Targeting A target market is a group of customers within the serviceable available market that a business has decided to aim its marketing efforts towards. A well-defined target market is the first element of a marketing strategy.

Theory of planned behaviour (TPB) In psychology, the theory of planned behaviour is a theory that links beliefs and behaviour. The concept was proposed by Icek Ajzen to improve on the predictive power of the theory of reasoned action by including perceived behavioural control.

Transdisciplinary Relating to more than one branch of knowledge; interdisciplinary.

Transformative consumer research (TCR) Defined as an academic, theory-based research that examines individual and group-level problems and opportunities related to consumption, with the goal of improving consumer wellbeing.

Unique selling position (USP) A marketing concept first proposed as a theory to explain a pattern in successful advertising campaigns of the early 1940s. The USP states that such campaigns made unique propositions to customers that convinced them to switch brands. The term was developed by television advertising pioneer Rosser Reeves, of Ted Bates & Company.

User experience (UX) Refers to a person's emotions and attitudes about using a product, system or service. It includes the practical, experiential, affective, meaningful and valuable aspects of human interaction and product ownership.

Value Value in marketing, also known as customer-perceived value, is the difference between a prospective customer's evaluation of the benefits and costs of one product when compared with others.

Vertical transition Segmentation is a marketing technique used by businesses to target a specific type of consumer or section of the marketplace. Horizontal segmentation means selling a product to a wide spectrum of consumers, while vertical segmentation narrows the selling focus to target consumers in a smaller demographic.

Viral communication Viral marketing (or viral advertising and viral communication) is a marketing technique that uses pre-existing social networking services and other technologies to produce increases in brand awareness or to achieve other marketing objectives (such as product sales or marketing buzz) through self-replicating viral processes.

Wellbeing of society Wellbeing, well-being, or wellness is a general term for the condition of an individual or group. A high level of well-being means in some sense the individual or group's condition is positive.

Win-win marketing Both consumers and producers (organisations and businesses) can be successful and have growth.

Word-of-Mouth (WoM) One customer telling another, in person or online, about a product or service. It is seen as one of the most powerful of marketing tools.

World Humanitarian Day World Humanitarian Day is an annual reminder of the need to act to alleviate suffering. It is also an occasion to honour the humanitarian workers and volunteers toiling on the frontlines of crises.