CHAPTER - IV
NEED OF SOCIAL MARKETING FOR CORPORATE SECTOR AND VOLUNTARY SERVICE ORGANIZATIONS: IN THE FIELD OF SOCIAL WORK
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Marketing, whether it is a Corporate Sector or Social Sector, is a fundamental to any organization. Marketing is both a concept and a function. At conceptual level, marketing represents a philosophy or approach to management that places the customer right at the centre of everything that an organization does. At a functional level, it may be regarded as that part of the organization, which gathers research, helps design new services, prices them, distributes them and ultimately promotes them to the consumer. Indeed, an understanding of customers' requirements can offer an organization much more than the mere design of its market offering. Kotler and Fox have defined marketing as under:

"Marketing is the analysis, planning, implementation and control of carefully formulated program designed to bring about voluntary exchanges of values with target markets for the purpose of achieving organizational objectives. It relies heavily on designing the organization's offering in terms of the target market's needs and desires and on using effective pricing, communication and distribution to inform, motivate and service the markets". (Adrian Sargeant, Marketing Management for Non-profit Organizations, Oxford Press, 1999, Page 10)
The other definitions are:

**MARKETING** utilizes and blends a set of tools called the marketing mix, product design, pricing, communication and distribution, public equates marketing with only one of its tools, such as advertising. But marketing is oriented towards producing results and this requires a broad conception of all the factors influencing buying behavior.

According to Skinner, **MARKETING** is the process of planning and executing the conception, pricing, promotion and distribution of goods and services to create exchanges that satisfy individuals and organizational objectives.

2. **SOCIAL ASPECT OF MARKETING**

Marketing activities are pervasive in the economic and social affairs of the country. The marketing function within the typical business firm has a major scope for directing the company's operations towards more profitable opportunities in the market place. There is no denying that Marketing has been a major factor in the creation of the highest standard of living ever enjoyed by an average citizen, anywhere, at any given time.

The activities of marketing came under severe questioning and criticism in the 1970's. Consumers, legislators, judges and juries, retailers, students, and even marketing practitioners themselves were voicing serious concern about the conduct and impact of marketing. A political dimension thus has been added to the study of marketing, for no current issue of current and pervasive importance goes unnoticed.
for long by the politician and other interest groups whose survival depends upon responding to the wishes of the public.

Noting the paradox of the success of marketing on the one hand and the widespread criticism of it on the other, the picture is further confused by another seeming incongruity. Just when marketing by business firms is being called to task for supposed abuses and failures, other kinds of organizations such as educational institutions, hospitals and other health care groups, charities, political parties and governmental agencies, are recognizing that marketing management skills are applicable to their problems. The body of social science knowledge and experience upon which marketing is based can be transferred to non-business situations. Problems of product and service development, pricing, information and persuasion, and distribution are found virtually in every organization designed to serve some aspect of the human being needs although they may not always have been called marketing problems, they are not substantially different from the problems that have been resolved so well by marketing management in business firms.

Like it or not, today's students and practitioners of marketing deal with its social and political dimensions. For want of more precise terminology (precision is probably premature in labeling the dimensions of this fast-developing area), we use the broad phrase social aspects of marketing to include the following:

a) Concern for the impact of marketing decisions upon the social and physical environment including (but not limited to) the problems of deception, environmental pollution, uneven participation in America's affluence, and marketing's influence on mass media.
b) Concern for dealing with governmental agencies and various political groups that desire to regulate or otherwise control, marketing practice.

c) Concern for extending professional marketing practice and theory into non-business organizations.

Some students and managers will regard this set of concerns as irksome some and illegitimate, as an unnecessary and inefficient diversion of attention from marketing's basic responsibility of generating profitable demand for the firm's productive resources. Others will regard these challenges as exciting new horizons, expanding the opportunities for the marketing profession to make a substantial contribution to the national welfare. It is necessary to approach this discussion with an open mind, with an eagerness to appraise carefully the many current pressures on marketing, reserving value judgments about these forces until the analysis has been completed. It is easier, and often more fun, to argue but more enlightening to examine such evidence as we can find concerning the issues.

It makes little difference on which side of the political fence your opinions lie. If you are involved in marketing (as, indeed, virtually every citizen is) and, especially, if you are in the marketing profession, you must be prepared to deal with the most serious and vocal criticism of business and marketing, and, indeed, of affluence, witnessed in this country since the great muckrakers of the 1920s and 1930s. Success has created its own discontent and, as we shall see, the issues being raised are anything but superficial.
Response to these criticisms must become top priority for business and for government. As Walt Whitman wrote, "It is provided in the essence of things that from any fruition of success, no matter what, shall come forth something to make a struggle necessary."

As a result of changes in both marketing and its environment, it is likely that marketing people will have an opportunity and responsibility to serve society and this process has started around 1970 and is explained briefly as under:

2.1 DEVELOPMENT OF SOCIAL MARKETING

Social marketing evolved in parallel with commercial marketing during the late 1950s and early 1960s, marketing academics considered the potential and limitations of applying marketing to new arenas such as the political or social. For example, in 1951, Wiebe asked the question, 'Can brotherhood be sold like soap?' and suggested that more a social change campaign mimicked that of a commercial marketing campaign, the greater the likelihood of its success.

The idea of expanding the application of marketing to social causes was abhorrent. Luck (1974) objected on the grounds that replacing a tangible product with an idea or bundle of values threatened the economic exchange concept. Others feared the power of the marketing, misconceiving its potential for social control and propaganda (I, aczniack et al 1979). Despite these concerns, the marketing concept was redefined to include the marketing of ideas and the consideration of its ethical implications.
The expansion of the marketing concept combined with a shift in public health policy towards disease prevention began to pave the way for the development of social marketing. During the 1960s, commercial marketing technologies began to be applied to health, education campaigns in developing countries (Ling et al., 1992, Manof, 1985).

Social marketing was "born" as a discipline in the 1970s when Philip Kotler and Zaltman realized that the same marketing principles those were being used to sell products to consumers can be used to sell ideas, attitudes and behaviors. In 1971, Kotler and Zaltman published their seminal article in the Journal of Marketing 'Social marketing: an approach to planned social change'. This was the first time the term 'social marketing' had been used and is often heralded as its birth. They defined social marketing as 'the design, implementation and control of programs calculated to influence the acceptability of social ideas and involving considerations of product planning, pricing, communication, distribution and marketing research'.

Kotler and Andreasen define Social Marketing as “differing from other areas of marketing only with respect to the objectives of the marketer and his or her organization. Social marketing seeks to influence social behaviors to the benefit of the marketer, and to benefit the target audience and the general society.” This technique has been extensively used specially for contraceptive and oral rehydratim theory (ORT), and is being used with more frequency in limited scope for such diverse topics as drug abuse, heart disease and organ donation.

In practice, social marketing was being explored by a number of people at the same time, including Paul Bloom, Karen Fox, Dick
Manoff and Bill Novelli. Early examples of social marketing emerged during the 1960s as part of international development efforts in third world and developing countries (Manoff 1985, Walsh et al 1977). For example, family planning programs in Sri Lanka moved away from clinical approaches and examined the distribution of contraceptives through pharmacies and small shops (Population Services International 1977). They began to experiment with marketing techniques such as audience segmentation and mass communication. Similarly, oral rehydration projects in Africa began to take a more consumer-oriented approach to program development. Important initiatives in the developed world instructed the Stanford Heart Disease Prevention Program, the National High Blood Pressure Prevention Program, and the Pawtucket Heart Health program. While many of these early programs were primarily exercises in social communications, they were important for the inception of social marketing.

By the 1980s, academics were no longer asking if marketing should be applied to social issues, but that how should this be done? During this period, practitioners shared their experiences and made suggestions for the development of social marketing theory and practice. Fox and Kotler (1990) described the evolution of social advertising into social communications. Bloom (1980) explored the evaluation of social marketing projects and found that many studies were poorly designed and conducted. In 1981, Boom and Novelli reviewed the first ten years of social marketing and advocated more research to dispel criticism that social marketing lacked rigour or theory. They identified a need for research to examine audience segmentation, choosing media channels and designing appeals,
implementing long term positioning strategies, and organizational and management issues (Bloom and Novelli, 1981)

Lefebvre and Flora (1988) and Hastings and Haywood (1991, 1994) then gave social marketing widespread exposure in the public health field, generating lively debates about its applicability and contribution. While social marketing was being practiced in many countries by this time, the publication of these papers was followed by a widespread growth in its Popularity (Lefebvre, 1996). Centers of expertise began to emerge, most notably at the College Of Public Health at the University of South Florida, the Center for Social Marketing at Strathclyde University in Scotland, and at Carleton University in Ottawa, Canada.

The increase of social awareness and social responsibility concerns has different meanings for various groups in society. For the marketing professional one manifestation is the emergence and development of the social marketing area. In conjunction with traditional orientations to marketing, the development of the social marketing approach is leading to a re-evaluation of the marketing concept. The new marketing concept is a customer focussed orientation guiding all functions within an organization toward the profitable achievement of organizational objectives by providing benefits which fulfil the economic and social need of the consumer – citizens.

The claim was made earlier that social marketing represents an advance over traditional social change strategies. Many of these traditional strategies employed advertising exclusively, rather than probing the needs of clients and consumers to design campaigns that fit them. Social marketing is built around the knowledge gained from
business practices: the setting of measurable objectives, research on human need, targeting products to specialized groups of consumers, the technology of positioning products to fit human needs and wants and effectively communicating their benefits, the constant vigilance to change in the environment, and the ability to adapt to change a social change management technology involving the design, implementation and control of programs aimed at increasing the acceptability of a social idea or practice in one or more groups of target adopters. It utilizes the concept of segmentation, consumer research, product concept, developing and testing, directed communication facilitation, incentive and exchange theory to maximize the target adopter's response. The sponsoring agencies perceive the changed goals in the belief that they will contribute to the individuals or societies best interests.

Now it is generally accepted by all, about marketing's social responsibilities. The question is how much attention, marketing professionals should give for social issues and keep the basic objective of profitability intact. Gaps exist between marketing with its aim, thrust and quests for profit, and society with its aim thrusts and goals in social welfare. In trying to bridge this gap and assume greater social responsibility by applying it's know how to social ends, marketing may gain increasing social approval of its position and there by legitimacy of the discipline.

There has been a change in the governmental approach to marketing. The Government, which used to inherently label marketing as undesirable has now accepted the importance of the role played by marketing.
2.2 SOCIAL MARKETING PLANNING PROCESS

Planning is the key to the success of any organization. Planning can be defined in terms of where we are; where we want to go, how we want to go and the time span that we are looking at to reach where we want to go. It is a continuous process and is carried out by SWOT analysis. It is a dynamic process. According to Melville C. Branch, the main benefits of a formal Planning process are:

a) Encourages systematic thinking
b) Leads to a better co-ordination
c) Leads to the development of performance slots for control
d) Gives the Company its guiding objectives and policies
e) Results in better preparedness for any sudden developments
f) Brings about a vivid sense of participation.

Many organizations find it helpful to begin the development of their marketing plan by restating their mission and organizational objectives. This helps to focus the minds of those responsible for marketing on the issues, which are considered to be of paramount importance for the organization as a whole. It also assists them in delineating those aspects of the organization’s role, which warrant further investigation in the detailed marketing audit, which follows. If an arts center, for example, has the mission of supporting new forms of art and encouraging local talent, it will not only have to spend time and resources in identifying these in the first place, it will also have to examine the nature of potential audiences for these new art forms as they begin to emerge.
The Social Marketing Planning process can be understood with the help of the following steps:

a) Mission Statement and Organizational objectives  
b) Analyzing the environment  
c) Segmenting the market  
d) Social marketing research  
e) Social marketing tools  
f) Social marketing strategy  
g) Social audit  

2.2.1 MISSION STATEMENT AND ORGANIZATIONAL OBJECTIVES

A glance through a selection of non-profit publicity material reveals that many VSOs have been intuitively writing mission statements for years, even if they prefer to use alternative terminology such as 'aims', 'purpose' or 'philosophy'. In reality, the terminology is unimportant. What matters is that the organization can summarize in a few words its raison d'etre. Supporters and potential beneficiaries can see at a glance what the organization is trying to achieve and confidently initiate some form of relationship if they feel it will be appropriate.

Some of the mission statements of the organizations are given below:

In 1978, the World Wildlife Fund decided that its 'purpose' was:

To raise the maximum funds possible from UK sources and to ensure that the funds are used wisely for the benefit of conservation of the natural environment and renewable natural resources with emphasis on endangered species and habitats.
The Elizabeth Svendsen Trust for Children and Donkeys has as its stated aim:
To bring enjoyment and pleasure into the lives of children with special needs and disabilities and that comes with the achievement of learning riding skills.

The Horder Center for Arthritis describes its 'philosophy' as follows:
The Horder Center exists to improve the quality of life primarily to people stricken with arthritis the mainsprings of our philosophy are:
- To provide professional help by all available methods for people suffering the pain and disabling effects of all forms of arthritis.
- To restore maximum independence and alleviate pain wherever possible.
- To remain at the forefront of the battle against arthritis as a Center of Excellence.

Charities Aid Foundation (CAF) has a unique mission – to work both for donors and NPOs, providing a range of services designed to sustain effective non-profit sectors.

It is observed that in all these examples there is a noticeable absence of figures. Mission statements should address what the organization wishes to achieve, but in such a way that the mission can be adopted consistently for a reasonable period of time. It should not be necessary to readdress the mission on an annual basis, since it should serve only to provide the most general of signposts.
2.2.2 ANALYZING THE ENVIRONMENT

The social marketing environment can be best understood by the PEEST factors viz. Political, Environmental, Economical, Social and technological factors. A sample of PEEST analysis for a VSO can be explained with help of the following factors.

**Political factors**
- Attitudes of Government
- Legal Framework
- Fiscal Framework
- Government Contracts
- Activities of Pressure Groups

**Environmental factors**
- Environment Protection Legislation
- Levels of Deterioration
- Sustainable Practices
- Activities Of Major Polluters
- Location / Development of Major Polluters

**Technological factors**
- Government Investment in Research
- Development Of New Materials
- Sources Of Technology Transfer
- Manufacturing Practices

**Socio-cultural factors**
- Attitudes to Recycling
- Awareness of Environmental Decay
2.2.3 SEGMENTING THE MARKET

Social Marketers need to achieve a thorough understanding of the target adopter group and its needs. Adopter segmentation is the task of breaking the total target adopter population into segments that have common characteristics in responding to a social campaign. Social marketers can perform this task in a number of ways. A positioning strategy would then need to be developed for this segment. The aim of positioning is to satisfy the target adopter segment’s need and to do so well than others. The key task here is to identify the competition. The question of the needs of the target adopter now becomes more specific and strategic. E.g. If the problem is drug abuse, what does the drug satisfy? When Social Marketers find a satisfactory answer to this question, only then can they find a satisfactory positioning for the program. Positioning must start with dividing the diverse population of target adopters into homogenous segments, any of which may be selected as the
one to be reached with a distinct social marketing mix. Segmentation has three benefits:

a) It enables social marketers to target their efforts to those groups of target adopters who need a product most or who can be served best by the product.

b) It enables social marketers to tailor a product to the target adopters needs and hence to provide greater satisfaction to adopters and to make it likely to sustain adoptions.

c) It enables social marketers to tailor communications and distribution more effectively to meet the adopters needs and to win adoptions.

A target adopter population can be partitioned into many segments. Following are the most frequently used segmentation variables for Consumer markets:

**Geographic**
- Region
- City Size and Population
- Urban, Suburban or Rural
- Climate

**Demographic**
- Age
- Sex
- Family Size
- Income
- Occupation
- Education
- Religion & Race
- Nationality
Psychographic

- Social Class (lower, upper lower, working class, middle class, upper middle, lower upper, upper)
- Lifestyle (introverts, extroverts)
- Personality (Compulsive, gregarious, authoritarian, ambitious)

Behavioral

- Usage (regular user, special occasion user)
- Benefits (quality, service, economy)
- User Status (non user, ex-user, potential user, first-time user, heavy user)
- Loyalty status (None, medium, strong, absolute)
- Readiness stage (unaware, aware, informed, interested, desirous, intent to buy)
- Attitude toward product (enthusiastic, positive, indifferent, negative, hostile)

Using single variables or several variables in combination can form segments. Which variables should social marketers use in segmenting their market? The most appropriate segmentation variables are those that capture differences in the behavior of target adopters. In certain cases the difference in behavior are the function of demographics. For example, age is a factor in drug addiction behavior and this variable defines the segments of children, teenagers, young adults, older adults and senior citizens. The age defined segments differ in their propensities toward drug addiction and drug use behaviors re age may be the most useful segmentation variable for marketing therapy programs for drug addicts. In other cases, geographic or psychographic characteristics are the primary segmentation variables. In cases
where multiple segmentation variables apply, data analysis will help. The cross tabulation of adoption / non-adoption data against the demographic, geographic or psychographic variables will reveal which variables best differentiate the target adopters from the nonadopters. A social marketer should not use too many segmentation variables. For example if eight variables were used, each at two levels, this would yield 256 (=2 to the power 8) market segments. This is too large a number of segments to reach successfully, since it would require tailoring marketing programs to each of these segments- a task too complex for the objectives that are sought. However, suppose a voluntary sterilization agency’s analysis of data on knowledge, attitudes and practices found that only the three variables of children, and level of income were closely associated with vasectomy. Retaining two levels of each variable yields only 8 market segments. Now segmentation would become more manageable.

2.2.4 Social Marketing Research

The social welfare field has been rapidly hanging over the past two decades. It has evolved from a one-dimensional reliance on public service announcements to a more sophisticated approach, which draws from successful techniques used by commercial marketers, termed 'social marketing.' Rather than dictating the way that information is to be conveyed from the top-down, public health professionals are learning to listen to the needs and desires of the target audience themselves, and building the program from there. This focus on the 'consumer' involves in-depth research and constant re-evaluation of every aspect of the program. In fact, research and evaluation together form the very cornerstone of the social marketing process.
Like commercial marketing, the primary focus is on the consumer-on learning what people want and need rather than trying to persuade them to buy what we happen to be producing. Marketing talks to the consumer, not about the product. The planning process takes this consumer focus into account by addressing the elements of the 'marketing mix.' This refers to decisions about 1) the conception of a Product, 2) Price, 3) distribution (Place), and 4) Promotion. These are often called the 'Four Ps' of marketing. Social marketing also adds a few more Ps, viz. Partnership, Policy, Politics.

The social marketing research is normally divided into 2 areas:

- Internal
- External

A. Internal

This refers to carrying out research internally to understand whether the organizations offering in terms of social marketing are aligned with consumer needs and wants. The research can be carried out in some of the following areas:

- Marketing
- Finance
- HRD
- Organizational Policy
- Production

For marketing, one can carry out the research in some of the areas, namely, product, price, place, promotion, partnership, policy and politics. Each one is explained below.
A1. Product

The social marketing 'product' is not necessarily a physical offering. A continuum of products exists, ranging from tangible, physical products (e.g., condoms), to services (e.g., medical exams), practices (e.g., breast-feeding, ORT or eating a heart-healthy diet) and finally, more intangible ideas (e.g., environmental protection). In order to have a viable product, people must first perceive that they have a genuine problem, and that the product offering is a good solution for that problem. The role of research here is to discover the consumers' perceptions of the problem and the product, and to determine how important they feel it is to take action against the problem.

A2. Price

'Price' refers to what the consumer must pay in order to obtain the social marketing product. This cost may be monetary, or it may instead require the consumer to give up intangibles, such as time or effort, or to risk embarrassment and disapproval. If the costs outweigh the benefits for an individual, the perceived value of the offering will be low and it will be unlikely to be adopted. However, if the benefits are perceived as greater than their costs, chances of trial and adoption of the product is much greater.

In setting the price, particularly for a physical product, such as contraceptives, there are many issues to consider. If the product is priced too low, or provided free of charge, the consumer may perceive it as being low in quality. On the other hand, if the price is too high, some will not be able to afford it. Social marketers must balance these considerations, and often end up charging at least a nominal fee to increase perceptions of quality and to confer a sense of 'dignity' to the
transaction. These perceptions of costs and benefits can be determined through research, and used in positioning the product.

A3. Place

'Place' describes the way that the product reaches the consumer. For a tangible product, this refers to the distribution system--including the warehouse, trucks, sales force, and retail outlets where it is sold, or places where it is given out for free. For an intangible product, place is less clear-cut, but refers to decisions about the channels through which consumers are reached with information or training. This may include doctors' offices, shopping malls, mass media vehicles or in-home demonstrations. Another element of place is deciding how to ensure accessibility of the offering and quality of the service delivery. By determining the activities and habits of the target audience, as well as their experience and satisfaction with the existing delivery system, researchers can pinpoint the most ideal means of distribution for the offering.

A4. Promotion

Finally, the last 'P' is promotion. Because of its visibility, this element is often mistakenly thought of as comprising the whole of social marketing. However, as can be seen by the previous discussion, it is only one piece. Promotion consists of the integrated use of advertising, public relations, promotions, media advocacy, and personal selling and entertainment vehicles. The focus is on creating and sustaining demand for the product. Public service announcements or paid ads are one way, but there are other methods such as coupons, media events, editorials, 'Tupperware'-style parties or in-store displays. Research is crucial to determine the most effective and efficient vehicles to reach the target audience and increase demand. The
primary research findings themselves can also be used to gain publicity for the program at media events and in news stories.

**A5. Partnership**

Social and health issues are often so complex that one agency can’t make a dent by itself. You need to team up with other organizations in the community to really be effective. You need to figure out which organizations have similar goals to yours—not necessarily the same goals—and identify ways in which you can work together.

**A6. Policy**

Social marketing programs can do well in motivating individual behaviour change, but that is difficult to sustain unless the environment they’re in supports that change for the long run. Often, policy change is needed, and media advocacy programs can be an effective complement to a social marketing program.

**A7. Politics**

The issues addressed by social marketing programs are often controversial or complex, such as safer sex or violence, and may need some political diplomacy with community organizations to gain support, to get access to the target audience or to head off potential adversaries at the pass.

**B. External**

In order to develop a successful marketing strategy, we are required to understand and work with the external environment. We call this ‘Market Opportunity Analysis’ which comprises;

- Consumer orientation
Traditionally, research in the field of health promotion has followed in the footsteps of its "older brother", medicine. However, the reductionistic model of disease causation cannot adequately describe the complex mechanisms that influence health behaviour. Social marketers working to promote health have learned that rigorous quantitative research surveys do not necessarily provide all of the data needed to develop effective communications. Consequently, qualitative methods such as focus groups and in-depth interviews, as well as less precise but useful semi-quantitative approaches, such as intercept surveys, have emerged as part of their research repertoire. In an ideal social marketing program, researchers use both quantitative and qualitative data to provide a more complete picture of the issue being addressed, the target audience and the effectiveness of the program itself. The purpose of this paper is to look at how these two different research approaches can be integrated to inform the development of an effective social marketing program.

**Integrating Quantitative and Qualitative Methods in Social Marketing Research**

An examination of the quantitative and qualitative paradigms will help to identify their strengths and weaknesses and how their divergent approaches can complement each other. In most cases, researchers fall into one of the two camps – either relying exclusively upon...
“objective” survey questionnaires and statistical analyses and eschewing warm and fuzzy qualitative methods, or using only qualitative methodologies, rejecting the quantitative approach as decontextualizing human behaviour. However, social marketing researchers recognize that each approach has positive attributes, and that combining different methods can result in gaining the best of both research worlds.

Quantitative research uses methods adopted from the physical sciences that are designed to ensure objectivity, generalizability and reliability. These techniques cover the ways research participants are selected randomly from the study population in an unbiased manner, the standardized questionnaire or intervention they receive and the statistical methods used to test predetermined hypotheses regarding the relationships between specific variables. The researcher is considered external to the actual research, and results are expected to be replicable no matter who conducts the research.

The strengths of the quantitative paradigm are that its methods produce quantifiable, reliable data that are usually generalizable to some large population. Quantitative measures are often most appropriate for conducting needs assessments or for evaluations comparing outcomes with baseline data. This paradigm breaks down when the phenomenon under study is difficult to measure or quantify. The greatest weakness of the quantitative approach is that it decontextualizes human behaviour in a way that removes the event from its real world setting and ignores the effects of variables that have not been included in the model.

Qualitative research methodologies are designed to provide the researcher with the perspective of target audience members through immersion in a culture or situation and direct interaction with the people under study. Qualitative methods used in social marketing
include observations, in-depth interviews and focus groups. These methods are designed to help researchers understand the meaning people assign to social phenomena and to elucidate the mental processes underlying behaviours. Hypotheses are generated during data collection and analysis, and measurement tends to be subjective.

In the qualitative paradigm, the researcher becomes the instrument of data collection, and results may vary greatly depending upon who conducts the research.

The advantage of using qualitative methods is that they generate rich, detailed data that leave the participants’ perspectives intact and provide a context for health behaviour. The focus upon processes and 'reasons why' differs from that of quantitative research, which addresses correlation between variables. A disadvantage is that data collection and analysis may be labour intensive and time-consuming.

In addition, these methods are not yet totally accepted by the mainstream public health community and qualitative researchers may find their results challenged as invalid by those outside the field of social marketing.

### 2.2.5 SOCIAL MARKETING TOOLS

Over the years professional organizations around the world have realized that Marketing is the key to their success. Gone are the days when Product Quality was considered as a sustainable Unique Selling Proposition, since the customer takes Product Quality for granted. Further, the technological and communications advancement has ensured that your competitor would either come out with a one up formula or will at least match your quality. Whether we like it or not, the reality is that every Corporate Sector/VSO in the world is required to market to various partners/stakeholders. This will ensure better understanding and better linkages.
Like commercial marketing, the primary focus is on the consumer learning, i.e., on what people need and want rather than trying to persuade them to buy what we have been producing. Marketing talks to the consumer, not about the product/services, but the benefits and the features of the products/services. Customer satisfaction/beneficiary satisfaction plays a major role in developing marketing strategy. The planning process takes this consumer focus into account by addressing the elements of the "marketing mix" called marketing tools. The conventional marketing tools are:

1) Product
2) Price
3) Distribution (Place)
4) Promotion.

These are often called the "Four Ps" of marketing. In social marketing, the complexities are different since, we are dealing with stakeholders, investors, beneficiaries, funding agencies, etc. We are therefore, required to have a pragmatic approach and therefore, use marketing tools namely, 11Ps of social marketing.

Product
Price
Place
Promotion
Publicity
Public relations
Personal selling
Political elements
Partnership
People
Public
PRODUCT

The social marketing "product" is not necessarily a physical offering. A continuum of products exists, ranging from tangible, physical products (e.g., condoms), to services (e.g., medical exams), practices (e.g., breast-feeding or eating a heart-healthy diet) and finally, more intangible ideas (e.g., environmental protection). In order to have a viable product, people must first perceive that they have a genuine problem, and that the product offering is a good solution for that problem. The role of research here is to discover the consumers' perceptions of the problem and the product, and to determine how important they feel it is to take action against the problem.

Products include the goods and/or services, practices, and other intangible ideas that the company is offering to the consumers. Products for consumers are sets of benefits and uses. We could say that they are solutions for their problems and that is how they view products. They will accept some idea and consequently the product if, firstly, they perceive that a problem exists; and secondly, if the proposed product is a solution to the problem. Hence the stress of the social marketer in selling the idea should be on the core benefit of the product. Here the additional challenge for the marketer would be to first make the consumers realize about the problem. Like in selling some environment friendly equipment in a third world country, it will be essential that the public realizes that an environmental problem exists in their country. To make contraceptives and condoms acceptable in Pakistan, companies, with the aid of the government, had to create a realization about the problem of lack of family planning through the media. Hence the consumers' perception is an important target for the marketer.
The actual product can be a physical object (birth control pills), services (medical check-ups), ideas (environmental protection) or even practices (breast-feeding). These are built around the core product i.e. the core benefits offered. The actual product must also be acceptable to the consumers in terms of its features, quality, brand, packaging etc.

PRICE

"Price" refers to what the consumer must do in order to obtain the social marketing product. This cost may be monetary, or it may instead require the consumer to give up intangibles, such as time or effort, or to risk embarrassment and disapproval. If the costs outweigh the benefits for an individual, the perceived value of the offering will be low and it will be unlikely to be adopted. However, if the benefits are perceived as greater than their costs, chances of trial and adoption of the product is much greater.

In setting the price, particularly for a physical product, such as contraceptives, there are many issues to consider. If the product is priced too low, or provided free of charge, the consumer may perceive it as being low in quality. On the other hand, if the price is too high, some will not be able to afford it. Social marketers must balance these considerations, and often end up charging at least a nominal fee to increase perceptions of quality and to confer a sense of "dignity" to the transaction. These perceptions of costs and benefits can be determined through research, and used in positioning the product.

Price refers to the total value that customers exchange for the product. Here the word value is used because the consideration is not always in terms of money. Besides being in monetary terms it could be
something like giving up a habit (like smoking), or your time and energy. It could be both monetary and intangible (like efforts and time for environmental protection may require buying of environmental friendly products to replace the existing ones).

There are certain common factors to consider while setting the price for any product. These include internal factors like marketing objectives, costs and other organizational concerns; also the external factors like nature of market, competition and other macro-environmental considerations. The role of perception of consumers in setting prices is also an important factor, especially in social marketing. Affordability is another important characteristic. In any case, the perceived benefits must exceed the cost of the consumers for them to buy the idea.

- **PLACE**

"Place" describes the way that the product reaches the consumer. For a tangible product, this refers to the distribution system—including the warehouse, trucks, sales force, and retail outlets where it is sold, or places where it is given out for free. For an intangible product, place is less clear-cut, but refers to decisions about the channels through which consumers are reached with information or training. This may include doctors' offices, shopping malls, mass media vehicles or in-home demonstrations.

Another element of place is deciding how to ensure accessibility of the offering and quality of the service delivery. By determining the activities and habits of the target audience, as well as their experience and satisfaction with the existing delivery system, researchers can pinpoint the most ideal means of distribution for the offering.
Place includes the activities of the seller to make the products available to the consumers. This will encompass distribution channels not only for the physical products but also for services. Channels for physical products may include retail outlets, warehousing etc. Like for the idea of improved health, good quality food and products with high nutritional value may be made available through retail outlets. For intangible products, distribution channels include the different ways though which information or training is given to the consumers. Like in the example of improved health, such a channel would be the nutritionists’ office for imparting knowledge about healthy diet and activities. By determining the activities and habits of the target audience, as well as their experience and satisfaction with the existing delivery system, researchers can pinpoint the most ideal means of distribution for the offering.

>PROMOTION

Because of its visibility, this element is often mistakenly thought of as comprising the whole of social marketing. Promotion consists of the integrated use of advertising, public relations, promotions, media advocacy, personal selling and entertainment vehicles. The focus is on creating and sustaining demand for the product. Public service announcements or paid ads are one way, but there are other methods such as coupons, media events, editorials, in-store displays etc. Research is crucial to determine the most effective and efficient vehicles to reach the target audience and increase demand. The primary research findings themselves can also be used to gain publicity for the program at media events and in news stories. Promotion means the activities that express the benefits of the product to the consumers and persuade them to buy it. The promotion mix includes advertising, personal selling, sales promotion
and public relations. In social marketing, promotion plays an extremely important role as the marketers initially have to sell a social idea, and sometimes products related to it. Hence the challenge is two-fold. To ensure the effectiveness of promotion, the companies must carry out extensive research on the target market and select the appropriate media. Timing is also an important consideration.

➤ PUBLICITY
Publicity refers to act of spreading awareness about the cause or idea in question. This enables the organization to maximize contribution from people. The ways in which an organization publicizes its cause is by press conferences, distributing leaflets that give a summary of the cause, newspapers and magazines etc. This is a very important step for any organization without which it is not possible to get the desired contribution from society.

➤ PUBLIC RELATIONS
This is a management function that evaluates the attitudes of important public identifies the policies and procedures of an individual or an organization with the public interest. And executes a program of action to earn understanding and acceptance of these publics. It is primarily a communication tool.
Public relations are an important element for VSOs because it is a good way around the budget limitations frequently faced by these groups.
Major public relations media and tools used are:

- Written material
- Audio-visual material
- Corporate identity media
- News
- Interviews
- Public service announcements
- Events
- Speeches
- Telephone information services

**PERSONAL SELLING**

It is the most effective tool at certain stages of the consumer decision process, particularly in building up preference, conviction, and action on part of the buyers. It is an attempt at using personal influence to affect target audience behavior.

Personal selling calls for certain basic characteristics, namely,

- Mental
- Physical
- Environmental
- Market
- Company
- Competition
- Socio-cultural issues
- Understanding buying behavior
POLITICAL ELEMENTS
The issues addressed by social marketing programs are often controversial or complex, such as safer sex or violence, and may need some political diplomacy with community organizations to gain support, to get access to the target audience or to head off potential adversaries at the pass.

PARTNERSHIP
Social and health issues are often so complex that one agency can’t make a dent by itself. You need to team up with other organizations in the community to really be effective. You need to figure out which organizations have similar goals to yours—not necessarily the same goals—and identify ways you can work together.

PEOPLE
People are an essential element in both the production and delivery of services. The success of a social marketing program is closely related to the selection, training, motivation and management of people. People play different roles in organizations. Thus it is important to attract the most talented people into the organization.
A categorization scheme has been developed by Judd based on the degree of frequency of consumer contact and the extent to which staff are involved with the marketing mix. The categorization results in four groups: Contractors, Modifiers, Influencers and Isolators.

PUBLIC
The public is the most important of the 11 Ps because the entire objective of social marketing lies in influencing the public. Social marketing deals with an idea that needs to be considered by the public that is the society as a whole. The entire process of social marketing fails if the end objective of influencing the public is not met.
2.2.6 SOCIAL MARKETING STRATEGY

A strategy in its strictest sense involves what any corporation would do in the long run. It doesn’t involve the day to day decisions but encompasses the vision of the corporation and the means to achieve the same. A marketing strategy is a way for all parties to see effective goal and resource attainment, it is also a way to ensure that limited resources are used wisely in pursuit of those goals.

STRATEGIC ANALYSIS

With the economic recession of 1970-71, Corporate managers came to realize that the form of long-term planning that they were conducting, based often on relatively straight forward projections of past growth, did not ensure Corporate success. It was recognized that large companies actually held a portfolio of business, and that long-term growth or indeed survival, might depend more on managing that portfolio rather than assuming continued growth on all fronts.

In 1970, BCG published its product – portfolio matrix, which had and still has a major influence on strategic thinking in many companies.

The McKinsey – GE matrix also recognizes that many business investment decisions cannot be made simply upon information about market growth and the current share held. The matrix discussed the concept of industry attractiveness, competitive strengths within SBU (Strategic Business Units).

Michael Porter carried further research and states that there is usually little that the firm can do in the short run to affect industry structure and hence attractiveness. It should focus upon understanding that structure in order to develop a competitive
strategy. According to him, companies must develop strategies, take into account the way in which they operate, rival responses, industry structure and its related profitability. He feels that firms should not get stuck in the middle between differentiation and striving for cost leadership.

PIMS, i.e., profit impact of market strategy is based on large scale data collection and analysis in terms of return on investment for different industries and their segments. PIMS study explains the impact of market share with return on investment.

There are different models and each model has a different approach. However, for an organization the strategy is largely concerned with marketing strategy and is explained briefly in the next section.

**MARKETING STRATEGY**

Strategy is concerned primarily with effectiveness (doing the right things) than efficiency (doing the things well). Therefore strategy mainly deals with these three questions.

What is the business doing now?

What is happening in the environment?

What should the business be doing?

A marketing orientation must permeate the whole of the organization, but the strategic marketing plan is just one of the several functional plans that feed into the overall strategic plan of the company. Marketing management, however, with it’s specific responsibility for managing the interface between the organization and it’s environment (both customers and competitors), has an increasingly important role to play in overall strategy development.
A) CORE STRATEGY
The core strategy is both a statement of the company’s objectives and the broad strategies it use to achieve them. The three main ingredients for establishing the core strategies are—
- Defining the purpose or the mission.
- Analyzing the company’s capability profile or strength and weakness.
- Examining the industry (customers and competitors) in which the company operates or wishes to operate.
Define the business purpose
The business should ask the fundamental question i.e. what business are we in and what business do we want to be in.

Company Analysis
In deciding core strategies full regard must be given to the skills and the competencies of the company, defining what the company is good at, be that a technologically based definition or a market based definition. Core competencies or core skills, may result from any aspect of the organization. They may stem from the skills of the workforce in assembling the product effectively or efficiently, from the skills of the management in marketing or financial planning or from the skills of the R&D department.

Industry Analysis
An analysis of the industry or the industries in which the company operates can serve to throw into focus the opportunities and threats facing the company. Those opportunities and threats stem from two main areas: the customer (both current and potential) of the company, and its competitors (both current and potential).

B) COMPETITIVE POSITIONING
The competitive positioning of the company is a statement of the market targets i.e. where the company may compete and differential advantage, or how will the company will compete. The positioning is developed to achieve the objectives laid down under the core strategy.

Market Targets
While the discussion of core strategy required an analysis of customers and competitors to identify potential opportunities and threats, competitive positioning selects those targets most suited to
utilizing the company's strengths and minimizing vulnerability due to weakness.

**Differential Advantage**
A differential advantage can be created out of any of the company's strengths, or distinctive competencies relative to the competition. The essential factors in choosing how to create the advantage are that it must be on a basis of value to the customer (lower prices, superior quality, and better service) and should be using the skill of the company that the competitors would find it hard to copy. This could include:

- Cost leadership
- Differentiation

**C) IMPLEMENTATION**
Once the core strategy and the competitive positioning have been selected the task of marketing management is to implement those decisions through marketing effort. The three basic elements of implementation – marketing mix, organization and control.

**Marketing Mix**
The marketing mix of products, price, promotion and distribution are the means by which the company translates its strategy from a statement of intent to effort in the market place. Each of these elements of the mix should be designed to add up to the positioning required. Therefore it is evident that decisions on elements of the mix, such as pricing or advertising campaigns can't be considered in isolation from the strategy being pursued.
➢ Organization

How the marketing effort and the marketing department are organized will have an effect on how well the strategy can be carried through.

It is very essential for the required resources to be made available the traditional organizational forms are found in marketing are functional and product (brand) management.

➢ Control

As the marketing strategy is operationalized, an important role of the marketing department is to monitor and control the effort. Performance can be monitored in two man ways – on the basis of market performance and on the financial performance. Market performance measures such as sales, market shares, customer attitudes and loyalty and the changes in them over time can be related back to the original objectives of the strategy being pursued.

2.2.7 SOCIAL AUDIT

Social audit has become a buzzword, both for the Corporate Sector and for VSOs. Social auditing in the developed world is still not mandatory and organizations are exposing themselves to these audits on voluntary basis to establish credibility in the society and gain public support for their activities. It may take years before social audit develops its own routes in the corporate world of India. For VSOs, the word social audit or credit rating process is still away from the reality. The researcher has dealt in detail the subject of social audit/credit rating separately.
2.3 DEEPER INSIGHTS INTO SOCIAL MARKETING

First-time social marketers often feel overwhelmed by the rigorous market research processes they see in other large-scale programs. They may hesitate to incorporate social marketing activities into their own programs, unsure whether they have the resources and expertise. The following ten points should be kept in mind to understand the basic principles of social marketing:

2.3.1 TALK TO YOUR CUSTOMERS

The key to effective social marketing is talking (and listening!) to the people you are trying to reach. Social marketing is a customer-driven process. All aspects of your program must be developed with the wants and needs of the target audience as the central focus. In order to learn what your customers want, you must ask them!

A little ingenuity may be necessary to find cheap and easy ways of gathering information. It may be as simple as going to where the people are and interacting with them. For example, sit out in the reception area and talk to people waiting to use your services. Go to the local mall to talk to teenagers hanging out there. Ask them if they know of your organization and what you offer. See how they talk about experiences they have had with your issue and find out what they need to help them use your services or perform the behavior you're promoting.

2.3.2 POSITION YOUR PRODUCT

In social marketing, products are often hard to promote because of their high "price." Products like behaviors and attitudes require long term commitments and do not sell as easily as a bar of soap or a car.
The cost of a social marketing product often includes a person’s time and effort (to attend a class or use services), giving up things he likes (high fat food), embarrassment or inconvenience (buying and using condoms), or social disapproval (resisting peer pressure to smoke). To counteract factors working against adoption of the product, we need to acknowledge these potential problems and address them.

The product positioning determines how the people in your target audience think about your product as compared to the competition. Just as various cigarette brands bill themselves as the freshest, the most fun, the most athletic, the least expensive, the classiest, or the most feminine, the product needs to be positioned in relation to the alternatives.

Product positioning is usually based on either the benefits of the product (what will it do for me?) or removal of barriers (how difficult is it for me to do?). By talking about your product with the target audience, you can learn the benefits they value most and the barriers they foresee. For example, women may feel that breast-feeding is a way to bond with their babies, is healthier, and makes them better mothers. However, they may also think that breast-feeding doesn't fit into their lives, is difficult to do, and is painful. In this case, a program could both promote and reinforce the positive aspects of breast-feeding or provide ways to get around the barriers, by explaining how to work breast-feeding into a busy schedule and teaching the proper way to do it to avoid discomfort.

2.3.3 KNOW YOUR COMPETITORS

In the commercial sector, successful companies watch every move their competitors make. They know their selling environment intimately and are ready to react as soon as conditions change. Social
marketers also need to be aware of the competing messages pulling on their target audiences. Your product's competition may be another product, it may be nonperformance of the behavior you are promoting; inaction is nearly always easier than adopting a new behavior. Your product must be more attractive than the alternatives to be accepted.

Just as Coke creates its marketing strategies based on what Pepsi is doing, we can take advantage of competitors' tactics to promote our own products. Many successful health campaigns against tobacco and alcohol have parodied the well-known cigarette and beer slogans, creating ads that grab our attention because of their new twist on familiar images.

Other environmental factors may also affect people's reactions to your program. Political changes may require new approaches, news events may change the context in which people hear your message, and work done by other organizations in field may affect how you portray your message. We must be able to monitor these changes in the environment and adjust program accordingly.

2.3.4 GO WHERE YOUR AUDIENCE IS
People will not go out of their way to find your message. You will need to put your message in places your target audience will encounter. When you talk to your customers, ask them where they get their news, what radio stations they listen to, where they go in their free time.

If you learn that your target audience tends to read the local newspaper, place your ads there and work with that paper's reporters to get coverage of your issue. If the people in your audience are the ones who do the grocery shopping, work with local supermarkets to
put information on healthy eating in their stores. If the people you are targeting like a particular type of music, go to rock concerts and pass out your materials. You can research the audience demographics of local media outlets (i.e., television, radio, and newspapers) in order to match your target group's characteristics with their favorite media. The only limit to reaching your audience is the extent of your creativity.

2.3.5 UTILIZE A VARIETY OF APPROACHES

Social marketing involves much more than television advertising campaigns. The most effective programs use a combination of mass media, community, small group and individual activities. When a simple, clear message is repeated in many places and formats throughout the community, it is more likely to be seen and remembered.

A social marketing program might contain television and radio spots, print ads, a community event, a poster contest, giveaways of your products or coupons for your services, a toll-free hotline for individual counseling or referrals, or classes on your topic offered in the community. The variety of approaches you use will depend on your program's budget and what will be most effective with the target audience.

2.3.6 USE MODELS THAT WORK

As with any field, social marketers design programs using the most effective and useful models available to them. In one model that incorporates elements of several well-established health behavior theories ("Stages of Change"), people move through several steps in a continuum before adopting a new behavior.
In the first stage, pre-contemplation, a person may not feel at risk for the condition or think the behavior is relevant to him. People at this stage must first be made aware of the problem and possible risk factors to move to the next stage, contemplation. To move from contemplation to action, messages should promote the benefits of performing the behavior and minimize the perceived costs. In this stage, the behavior should be portrayed, as something that many other people do and agree with; skill-building messages and demonstrations of the behavior by others similar to themselves will help them move to action. Once they have tried the behavior, the last and often most difficult stage is maintenance. Motivational and reinforcing messages are necessary to prevent relapse to the contemplation stage. This model provides a useful framework for segmenting the target audience. A program could address people in each stage over a period of time or select just those at a particular stage of the process.

2.3.7 TEST, TEST AND TEST
All of the products, promotional materials, and services you develop for your program should be tested with your target audience to gauge their potential effectiveness. Social marketing recognizes that the customers are the experts on what works best for them. Even the best minds in ad agencies test their ideas with their consumers (and consequently avoid spending lots of money on concepts that don’t work).

One of the methods most associated with social marketing is the focus group. This involves bringing together 8 to 12 people with particular characteristics relevant to the program and leading them through a focused discussion on a given topic. Focus groups can be used to
learn how people in the target audience think about the issue and why, the language they use to talk about the issue, and their reactions to messages or materials developed.

Surveys are a more generalizable method to find out people's knowledge, attitudes and behaviors regarding a particular topic. They work best when you have very specific questions that don't require the respondents to explain their answers (e.g., "yes" or "no" questions).

2.3.8 BUILD LINKAGES WITH KEY ALLIES
A powerful message requires groups throughout the community to come together in a coordinated effort. Organizations concerned with your issue can sing the melody along with you, while other groups—the media, schools, businesses, government agencies—can provide the harmony, complementing your efforts through their involvement. By pooling resources with other organizations working toward the same goal, you can have a greater impact as well as access to new audiences.

Build connections with key people and organizations that have the potential to bring attention and credibility to your program. You can develop beneficial relationships with the reporters covering your issue at key media outlets; pitch stories to them with a fresh news angle, provide them with fact sheets or lists of experts they can contact for their stories, and be available when they call for information. Include local politicians in activities to help them understand and support your issue. Invite businesses to sponsor your projects, exchanging positive corporate publicity for their financial support. Other potential allies include professional associations, local service organizations
(e.g., Rotary Club), religious groups and existing community coalitions.

2.3.9 SEE WHAT YOU CAN DO BETTER NEXT TIME

The cornerstone of social marketing is evaluation—determining what you accomplished so you can use that information to improve your program. Evaluation occurs throughout the social marketing process. As you develop your program, you need to test and refine your messages or products with members of the target audience. When the program is implemented, you need to monitor activities to assess whether they are occurring as planned. How many brochures were disseminated? How many media "hits," or mentions of your program, did you achieve? Are the people in your target audience the ones who are using your program? The answers to these questions will let you know whether you need to make adjustments while you have the opportunity to do so.

The big question, though, is did you make a difference? There are two ways this can be answered. One way is to see whether members of the target audience engaged in the desired behavior as a result of the program. This can be determined quantitatively through survey research with the people who participated in the program or who were exposed to the message.

A second way requires a longer-term perspective, investigating whether performing the behavior induced the desired change. The actual impact of a social marketing program is difficult to assess accurately. Can a public service announcement reduce mortality from heart disease? Probably not, but many such efforts can combine synergistically over time. The only way to establish a cause-and-effect
relationship between your social marketing program and changes in behavior and health outcomes is to conduct a community intervention study. At whatever level you perform evaluation; the information gained should be used to improve your program in the future.

2.3.10 TO SUMMARIZE

**Social Marketing is...**

- A planned process for influencing social change
- About using a marketing approach to achieve a social effect (NOT using a social cause to achieve a marketing effect)
- About making a positive difference in the world
- About treating ideas as strategic resource and currency

**Social Marketing isn't simply...**

- Public relations
- Media relations
- Philanthropy
- Fundraising
- Cause marketing/ issues-based merchandising
- Community development
- Special events
- Once, not once in a while

A serious deterrent to wide spread implementation of the societal marketing concept is the short term orientation embraced by most business managers in their drive for increased market share and quick profits. This short-term orientation is understandable in the light of the fact that managerial performance is evaluated on the basis of short-term results. When personal advancement is based on short-
term profits, marketing decisions tend to be based on anticipated short-term economic results.

The societal marketing concept necessarily requires a long-term perspective. It recognizes that all companies would be better off in a stronger, healthier society and those companies that incorporate ethical behavior and social responsibility in all of their business dealings attract and maintain loyal consumer support over the long term.

3. SOCIAL MARKETING FOR CORPORATE SECTOR

Over the years, marketers in the Corporate Sector have gained sufficient experience and are using the marketing tools effectively in the development of marketing strategy. The corporate sector has developed the relationship between the strategic planning and approaches to marketing decision-making. Planning in the Corporate Sector has emerged as an important activity in the 1960s. Several studies undertaken during that time showed that companies attach significant importance to planning. A 1996 survey by the Association of Management Consulting Firms found that business persons, academics and consultants expect business planning to be their most pressing management issue as they prepare to enter the next century (Subhash C. Jain – Marketing Planning & Strategy, 6th Edition, South-Western College Publishing – 1998 Page 4).

Corporate Sector takes strategic marketing decisions based on the inputs received from three Corporate Aspects namely corporate culture,
corporate publics and corporate resources. Corporates are well aware of
the principles of the strategic analysis, which broadly takes into account:
  a) Corporate appraisal
  b) Understanding competition
  c) Focusing on the customer
  d) Scanning the environment

The corporate do serve not only the stakeholders but also the society at
large. For e.g. Boise Cascade was once denounced as harsh, stingy,
socially insensitive, and considerably short of highest ethical
standards because of its unplanned land development. Ultimately,
community interest prevailed forcing the company either to give up its
land development activities or make proper arrangements for the
disposal of waste and to introduce other environmental safe guards.

Development of marketing strategies do not occur by accident but
because people directing the affairs of the business interact well with the
environment, capitalizing on its strength and eliminating underline
weakness. In order to operate successfully in a changing environment,
the business should plan its future objectives and strategies around its
strengths and downplay moves that bear on its weaknesses. The
assessment of its strengths and weaknesses becomes an essential task
in the strategic process. Companies like Apple Computer, IBM, Procter &
Gamble, Johnson & Johnson do carry out strengths and weaknesses
analysis.

The corporate strategic direction obviously leads to strategic
development and intern to the development of marketing strategy. The
development of marketing strategy starts with defining the business
mission. The business mission can be viewed in three dimensions namely:
   a) Customer Groups
   b) Customer functions
   c) Technologies

Corporate Sector before developing a marketing strategy uses different models such as BCG matrix, Product Portfolio Matrix, Product Life Cycle and Michael Porter Model and sometimes Profit Impact of Marketing Strategy (PIMS).

Corporate Sector is aware of the importance of Marketing Research weather it is a product marketing or service marketing. There are research agencies that carry out the research in the product/services category. With the help of the marketing research, corporates are able to segment the market and develop marketing strategies for the target market. Segmenting, Targeting and Product Positioning are the key tools for Corporate Sector. They do understand different approaches to product positioning whether it is a single brand or multiple brands or brand extension. To develop the strategies, Corporate Sector uses 4 Ps of marketing, namely,
   a) Product
   b) Price
   c) Place
   d) Promotion

a) Product

Corporates understand the difference between the core products, the tangible products and the augmented products. All these three components form the basis of the market offering. Each component
should be considered in isolation and as a part of a complete service offer.

b) Price
It is an area, which probably corporate are more concerned since profit is one of their objectives. They are fully aware of the various techniques of pricing and its implications. The new product launch and product life cycle are the basic ingredients of the product apart from product packaging and labeling.

c) Place
Corporates are concerned with issues such as degree of accessibility to a service required, how the service will be distributed to clients, the level of control required over any intermediaries that might be used and the geographical coverage for the service that is desired.

d) Promotion
Probably, corporates clearly understand various tools of promotions, namely advertising, sales promotion and public relations. Of course, the use of Internet. Corporates carry out cost benefit analysis of any promotional campaign undertaken by them.

USE OF SOCIAL MARKETING CONCEPTS BY CORPORATE SECTOR
As is evident from the above, Corporates are well aware of the tools and techniques used in marketing of products and services for commercial purpose. If the Corporate can use these techniques for the development of the society, probably they can bring in the behavioral change in the social sector. The researcher is therefore, of the opinion that if the Corporate Sector incorporates social objective as one of the objectives and brings in the change in the mission statement, then the path for
development of social marketing strategy becomes simple and easy to implement.

4. SOCIAL MARKETING FOR VSOS

4.1 DEFINING STRATEGY: A FIRST STEP

A VSO's director might talk about the organization's marketing strategy using words like "vision," "intuition," "judgement," "analysis," and "advantage". Indeed, a competitive strategy may be grounded and developed through a realistic assessment of some of these concerns. More likely, however, it is not.

How, then, an organization define a marketing strategy? For many VSO professionals, a marketing strategy is the summary of how the organization pursues its objectives. Such a strategy starts with the combination of the organization's mission. This assessment comes from a careful analysis of what the VSO provides and what its constituents think they are getting in return, as well as a strong sense of organizational conviction.

Many find it helpful to build a marketing strategy by first defining six elements:

- Mission/Objectives.
- Market and services.
- Knowledge of competition.
- Competitive advantages.
- Marketing
- Commitment.
Some of the elements are explained below:

A) MISSION/OBJECTIVES

Voluntary Service Organizations are required to define the mission statement. The mission statement gives the direction to the Organization. This also forms the basis for developing social marketing strategy.

Developing a mission statement requires a VSO to answer three questions:

**Question 1:** What is the purpose for VSO's existence?

**Question 2:** Will this purpose change in the future if externally significant events change, such as political, economic, social, or competitive events?

**Question 3:** Given the VSO's response to Question 2, should it consider changing its purpose?

Objectives are those levels of performance labeled by the organization as important areas for effectiveness. This is a more difficult assessment than the external assessments because a VSO must look inwards, evaluate those organizational areas that constrain it, its strengths and weaknesses, and the need for new action to improve its marketing and service sector activities. Likewise, this inward analysis is richer with data and information than the previous preoccupation with competitors and the operating environment.

A VSO can analyze its objectives by taking the following path:

1. The first step is to define the objectives, which allows the organization to assess performance and direction. (This may mean that some objectives are changed and other is set.)

2. VSOs then analyses past, current, and future strategies that allow it to meet these objectives.
3. Strategies are only worthwhile if they take into account the costs to the organization in both people and dollars and the resulting problems and challenges that may erupt. Are the organization's strategies correct?

4. Finally, VSO looks at those areas where donors, clients, and constituents may or may not agree as evidenced by their support and agreement with the direction or lack of it.

The outcome of this inward journey allows an organization to determine whether or not its competitive strategies are working, based on its objectives and the support the nonprofit is receiving.

B) MARKET AND SERVICES

It is important in fast changing environment to be able to anticipate change. For example, one organization builds medical clinics in Haiti. At the time of this writing many of the organization's workers and operations have been disrupted an forced out of the country in light of Haitian political unrest. Fortunately, this organization has set up channels of operation and delivery of services in other poverty-stricken countries and is transferring operations to these new areas.

There are at least four different concerns for a nonprofit organization in delivering its services:

- Are there inherent political or environmental problems in the channels nonprofit organization users to distribute its services?
- Are there alternative channels available?
- Are there trends that indicate a nonprofit organization that could deliver services better using a different method?
Who are the critical gatekeepers of the delivery channels or the people who influence service delivery?

B.1 Understanding Clients, Donors, Volunteers, And Constituents

An organization's external analysis should consist of addressing four sets of broad question

1. Donor, client, and constituent segments:
   - Who is donating to our cause (or buying its products)?
   - Who should be but is not giving to or purchasing from us?
   - Who was and is not longer (and why)?
   - How does the market currently segment and how should it?
   - Does the client base we're working with reflect our organization's goals and mission?

2. Donor, client, and constituent financial activity:
   - How are the donors and buyers stratified from largest to smallest financially?
   - What is the timeframe of their giving?
   - What is the frequency of their giving?
   - Do fees for services get paid on time?
   - Is there a need for a stronger collection policy?

3. Donor, client, and constituent motivation:
   - What are the primary motivations behind donors, clients, and constituents involved with our products?
   - What are the most important attributes of our cause?
   - What objectives are the donors trying to solve by giving and the constituents by buying?

4. Donor, client and constituent needs:
To what degree are our donors, clients, and constituents happy with what our organization is doing?

What problems regarding our programs must be solved organizationally to bring them in line with donor, client, and constituent needs?

➤ **Donor Profiles**
The profile examines the donor from a number of different ways and with different data elements in order to help marketing director of VSOs to make a decision and develop a strategy on how best to pursue Relationship with this donor. To get the best possible from the donor, the VSOs through a number of different lenses must view the donor. A typical donor analysis is given below:

➤ **Donor Demographics**
Regarding the donor, he/she might be over 50 years of age, living in a home that he/she owns, vacationing for one month a year in phoenix with spouse, with a combined income of over $35,000 a year, attending a Methodist church, living in a suburban community, and giving to more than five other nonprofit organizations besides her church.

➤ **Donor Financial Activity**
Donor's financial activity may show that she (assumed) gave her second and most recent gift six months ago in response to a direct mail appeal on hunger in an African nation, that her response was $45 though she was asked for $25, she wrote a check from a shared checking account with her husband, and she has been giving to the organization for over four years.
> **Donor Motivation**

The donor feels her personal needs and motives are fulfilled by the act of giving to the VSO. She can readily identify the benefits she receives by giving.

> **Donor Needs**

Donor needs to perceive the cause as having relevance and organization as having credibility in order to stay involved. Because of the nature of her interest, communication needs to be relatively emotional in order to maintain donor involvement. What does the organization gain by making this analysis? A number of key bits of information. For example, depending on how a donor perceives their involvement with VSO, some of the following issues have to be addressed:

1. How relevant to the donor is the information that the VSO is sending on a regular basis? Is there a positive or negative return on this investment of communication?

2. Does the donor's involvement mean that the organization should take a more personal approach to the donor? Are letters starting with the salutation "Dear friend" appropriate to the donor's involvement? Should they be visited personally?

3. Is the donor looking for more accountability by the VSO in the relationship? Should the nonprofit provide more information on its current spending practices?
C) KNOWLEDGE OF COMPETITION

David Aaker, J. Gary Shansby, professor of marketing strategy at the University of California in Berkeley, says there are two ways to identify competitors (and potential competitors):

First, take the perspective of the customer who must make choices among competitors. The second attempts to group's competitors into strategic groups on the basis of their competitive strategy.

For example, listing of all the international child sponsorship agencies that function similarly could be considered as a strategic group based on their competitive strategy. One could define this group by looking at those who use extensive database as a source of names and income, who promote their international work through gut-wrenching photographs in general interest magazines, and who use the "sponsor a child for one month at $X" as their predominant message strategy. Here, a VSO must necessarily analyze the competitors operating in the area of child sponsorship and what are their strategies.

D) COMPETITIVE ADVANTAGES

Competitive advantages are those qualities of programs or services offered that distinguish VSO from other organizations offering similar programs or services. These advantages come in a variety of forms:

- Services or programs of the highest quality available.
- The most reasonably priced services or programs.
- The most experienced staff.
- The most variety of services offered.
- The most highly endorsed services or programs.
VSOs must be able to identify their competitive advantages; failure to do so puts them at a disadvantage.

How does an organization identify its competitive advantage vis-à-vis other non-profits organizations? Primarily, one first determines who one's competitors are, the particular strengths and weaknesses of their causes or products, people involved in supporting their work and the dollar raised. Using this information, the marketing director of a VSO can set up a competitive analysis worksheet, listing each of its competitors' strengths in one column and its own neutralizing responses in the other. Armed with this information, the marketing director then can be in to develop strategies.

VSOs with similar causes tend to distinguish themselves from others through one, or combinations, of the following:

1. The degree in which they specialize either in their cause, product line or in the audience segment they work with.
2. The degree to which they try to impress their name upon a given market through advertising, their sales force, or fundraising field reps.
3. The way they try to accomplish their core mission, either working through a middleman like a church or service group, or going directly to the consumer or donor.
4. The quality or characteristics of their product(s).
5. The leadership status they claim in the development and endorsement of their products using phrases like "new technology" and "cutting edge" programs.
6. The cost position (usually a low cost) they have in delivering their service to clients.
7. The donation amount they request on behalf of client services, which is usually, but not necessarily, tied to their cost position.

8. The amount of leverage they command, command, often financial, political, or name recognition.

Their relationship with a parent company and the objectives, resources, and reputation handed down.

E) MARKETING

Understanding the concept of social marketing and social marketing tools is necessary for development of social marketing strategy. The eleven Ps of social marketing have been explained earlier.

Marketing manager needs to understand that whether it is getting the funds or services from the volunteers or support from the government can never be forever due to competition, government policy, environmental issues, etc.

Product Life Cycle is another important concept to understand and it is certainly applicable to VSO’s client services and product mix.

There are generally four recognized stages of development for any product or cause (for nonprofit):

Stage 1 is market development when a cause or product is brought to market before there is a proven demand for it.

Stage 2 is the market growth stage where demand for what the nonprofit organization is doing increases and the market as whole tends to grow.

Stage 3 is market maturity where there are a number of competitors in the product area, and demand begins to level off.

Stage 4 is market decline with the cause or product beginning to lose appeal for the client, donor or constituent.
How do these four stages pertain to the nonprofit world? The question is important because there is little discussion of life cycle theory relating to VSOs. Projecting a product’s life cycle early on could possibly eliminate poor market entry choices and enable a nonprofit organization to choose wise potential competitive moves in advance of market entry.

F) COMMITMENT

Success of any VSO depends upon the commitment the management and the employees have towards achieving its goals and objectives. This is true irrespective of the Commercial Organization or the Voluntary Service Organization.

USE OF SOCIAL MARKETING CONCEPTS BY VSO

The researcher, in order to understand the importance of social marketing concept, has carried out the research in the city of Mumbai. VSOs having national presence do carry out research before developing the strategy. The case in point is Kripa Foundation, a VSO working in the areas of HIV/AIDS and Drugs. Kripa carries out extensive research and develops strategies accordingly. Regarding the application of various strategic models, it is observed that Shri Mahila Griha Udyog, manufacturer of Lijjat Papad and other products do use various strategic models, but not knowing the implications. If VSOs are trained in social marketing areas, then they too can work for betterment of the society more effectively and efficiently.
5. CORPORATE SECTOR AND VSOs - LINKAGES THROUGH SOCIAL MARKETING

Having studied the development of Corporate towards Corporate social responsibility and Voluntary Service Organizations through journey in different phases, the need is, can we bring in both, the Corporate Sector and VSOs together on a common platform so as to serve the community for the maximum welfare of the society. Bringing the Corporate Sector and VSOs together without compromising their values is a new concept, which needs to be communicated to concerned policy makers, volunteers and society at large. The concept of Social Marketing, therefore, assumes significance and relevant for the welfare of the society. This has led us to understand the practices followed by the Corporate Sector and VSOs in the field of Social Marketing. These two entities are not only required to market each other, but also to all the stakeholders, the society, the management and all those involved directly or indirectly.

Corporate Sector, being the business organization and working for profit is already well versed in the art of marketing goods, services, etc. They are in the field of communication and know very well the importance of:

a) Marketing and marketing tools
b) Marketing research
c) Marketing strategies

We can safely assume that Corporate Sector have the necessary expertise in the above areas to communicate, interact, exchange with the community and do contribute in the field of Social Work. VSOs have been doing very good in the field of Social Work and have
grassroot approach. However, they need the proficiency not only in communication, but also in:

a) Social marketing and marketing tools
b) Social marketing research
c) Social marketing strategies

It is not going to be an easy task to persuade the volunteers to know the art of Social Marketing. This should be done in a very skillful manner without giving them the feeling that somebody is teaching them something. This exercise needs to be carried out for volunteers, VSOs, social workers through their training programs, meetings, workshops, in a language, which they can understand.

**6. CONCLUSION**

One can safely assume that if the Corporate Sector can use social marketing tools and train the VSOs in the field of marketing and if VSOs can share their grassroot approach with the Corporate Sector, one can certainly harvest the expertise of both the sector and in turn help the society.

Having discussed the social aspects of marketing, the next chapter deals in establishing credit rating of Corporate Sector and VSO in the field of social work.
7. FIELDWORK

7.1 SOCIAL MARKETING RESEARCH

Kripa Foundation

Introduction

Kripa Foundation was founded in 1981 to rehabilitate alcohol addicts. Though drug addiction was the biggest problem confronting the Western Civilization, it was not such a scourge in India. Today things are different and drug addiction is another menace, which the NGO tries to eradicate along with alcohol abuse.

For the last nine years, Kripa Foundation has been involved in the field of Social Market Research; its inception may also be credited to research findings of that time. Today, Kripa foundation conducts regular research programs on an annual basis and takes constructive steps as and when required.

At Kripa, research is considered quite from documentation and the two are given their due importance on separate accounts.

Documentation refers to recording of facts as they exist in the organization, while research is something much wider, involving a lot many more processes, people and resources.

As a VSO with few resources, research is often a very costly affair. This is why the organization tends to have annual research programs rather than specific programs for each issue tackled.

Another problem facing the organization is its wide network across seventy centre throughout India. This necessitates some kind of central department to collate collected data. This becomes too tedious and expensive a job for the VSO.
The various tools used by the VSO in order to conduct research are:

- Interviews and In-depth Interviews
- Questionnaires
- Projective techniques
- Interviews and In-depth Interviews

To ensure authentic and effective data collection a panel of experts comprising of psychologists, social workers, counselors and recovered victims, conducts the interviews.

**Questionnaires:**

Questionnaires are handed over to the victims, the families of the victims and any other person who could be of assistance.

**Projective techniques:**

Kripa Foundation uses a host of projective techniques to bring out subconscious beliefs and attitudes within the victim and his closest relations.

Catell's 16 PF tests, which were originally used for this purpose, are now considered rather inappropriate for addicts. The Maturity Test is used instead of it.

Another interesting test is the 'Draw-A-Picture' test where the victim is asked to draw his perception of a family, his parents, etc.

Evaluations are the most crucial factor and experts in the field are employed for this purpose. In case of Kripa Foundation, experts from SNDT, TISS, etc. help out with these evaluations.
All this research which is carried out on an annual basis is done keeping the documentation as the basis.

Kripa Foundation documents the facts on the following parameters:
- Number of inmates
- Number of new inmates
- Number of dispatches, which are further broken down into clean, relapsed, dead and unknown. Here clean refers to those who have recovered completely from drug or alcohol addiction.

Outreach is the awareness program conducted by the NGO to increase the levels of knowledge among the common man.

The various packages which are available for research purposes are SPSS (Statistical Package for Social Sciences), Ethnography and Atlas.

While SPSS is a quantitative package, the others are qualitative packages. Kripa Foundation makes use of the SPSS package, which costs Rs. 75,000. However, SPSS has no renewal clause and in case of any updating, the entire package is to be repurchased. The others come in the range of 3-5 lacs and are not used in India.

The research conducted by Kripa Foundation includes:

**The 'Significant Other'**

As per the documented records in 1995, Kripa found that 14% of the dispatched patients had a relapse. In order to find out the reason for this shortcoming, a research was conducted on the same.

The methodology followed included 'in-depth' interviews and questionnaires administered on the families of the 'addicted' as well as the individuals themselves.
7.1.1 Major Findings

A majority of the 'clean' patients came from families, which were both supportive and caring.

Most of the 'relapsed' patients belonged to unsupportive families with little understanding of the patients' need.

The following model emerged in the typical family system of the addicts concerned.

![Enabler](image)

The 'victim' here would be the addicted person, the role of the 'enabler' and the 'oppressor' would be taken on by other members of the family. The 'enabler' typically is a member (or more than one member) of the family who basically supports the victim. He takes on all the duties of the victim and becomes a fall back for him. The role is of a 'maternal' nature and although the parent of the victim normally assumes the role, in case of an older victim his child could function as the enabler. Often the daughter becomes the enabler for the alcoholic father. The intentions are usually in good faith but the consequences are questionable.

The 'oppressor' is normally the brother or sister of the victim. He lives a 'clean' life but is given secondary treatment as the attention of the
enabler is focussed on the victim. This could lead to disillusionment and the oppressor may lash out at the victim.

At the time of the rehabilitation program, when the victim is separated from the family, the enabler and the oppressor lose their identity. The enabler exists because of the victim and the separation often leads him to depression. The oppressor also is faced with a change that is difficult to adapt to. This makes the family 'dysfunctional'.

Based on these findings, Kripa Foundation introduced the concept of the 'Significant Other'. Today the rehabilitation program includes family meetings from time to time. In fact if the 'Significant Other' does no attend over three meetings, the ward would be sent home. At Kripa it is believed that if the victim is the 'addicted', the family is the 'afflicted'. Rehabilitation is incomplete with either of the two absent.

'Peer Pressure' for Recovery

Research has established that peer pressure is often responsible for drug and alcohol addiction. Kripa Foundation added a new dimension to this theory.

The 'Community' is an important component in the rehabilitation of the victim. Not only the family, but also the friends of the victim can contribute to his recovery. This would also include 'inmates' of the rehabilitation centre who support the victim through the turbulent times.

The senior victims are often asked to aid and encourage the younger victims during the rehabilitation. This proves to be a twin edged sword, as the senior victim senses a feeling of importance while the younger is motivated by his colleague's success.
The Professionals and The 'Experienced'

The counselor was traditionally looked at as the most important part of the rehabilitation program. Today however the community at large and the peers in particular are seen as more influential entities.

To get the best of both worlds, the 'experienced' professional was seen as the best solution. This essentially refers to the past addicts who have now turned over a new leaf and are being instrumental in the recovery process.

These facts can be attributed to research carried out by Kripa Foundation through interactive sessions between the management, the administration, the 'clean' victims and the victims themselves.

Rehabilitation across segments

Kripa foundation originally catered to a middle income segment of patients. Research brought out the additional need for a rehabilitation centre for both the lower strata as well as the higher strata of addicts. The addicts lower income group felt the sense of inferiority when they were housed with their counterparts in the middle income group. Differential treatments like sleeping facilities, sanitation, etc. proved to be a hindrance in the recovery process. To tackle this problem, a Community Rehabilitation Centre was started at Dharavi. This is essentially a 1-month detoxification program where in the slum dwellers could avail of the facilities provided by the foundation. In case of further requirement, these addicts could be shifted to the rehabilitation centres. This group of people was provided services at Rs. 1100/month.

At the end of the program, these victims were provided with various self-employment opportunities by Kripa Foundation in collaboration
with Indian Labour Organization. This played a very important role in preventing a relapse.

In case of institutional workers, it was observed by Kripa Foundation that most Companies followed a dual policy vis-a-vis the workers and the management. While the workers were sent for training and awareness programs against the evils of the alcohol, the management themselves indulged in parties that had more than their fair share of Black Dogs and Chivas Regals. To encourage the workers, it was believed that even the management should be made to go through such programs.

This however posed the problem of esteem and status needs. That’s where the high society rehabilitation centres figured in. At Vasai, residential facilities are provided for victims who can afford as much as Rs.7000/month. They are given separate rooms, sanitation etc., as this would aid them in their recovery process.

**An Exit...Not the End**

Research has brought about a change in the attitude of the management at Kripa Foundation with reference to 'exited' patients. At the onset, these patients were looked at traitors and the workers at the NGO felt rather insulted by the lack of faith. At that time, these 'exits' were considered synonymous with relapses. However, things stand quite different today.

Research has shown that many of the exited patients have actually remained clean after leaving the centre. This forced the management to rethink their policy. Unlike the past, if these addicts feel the need to rejoin the program they are given a chance instead of being just shut out. Today they are made to go through six months of normal life before they can rejoin the rehabilitation program.
Emerging Problems
As times change, things change...Last year 20% of the addicts were graduates or college students. This led to a research being carried out for identifying the reasons for the same. Today, awareness programs are being conducted to curb drug abuse, alcoholism and 'pill poppers'. Victims beyond the doctor's prescription consume (Medicines such as 'Avil' and 'morphine'. This is referred to as 'pill popping').

\[ \text{USE} \rightarrow \text{MISUSE} \rightarrow \text{ABUSE} \]

However, the foundation faced a lot of resistance from the educational institutes, as the later were insistent on 'only technical education' leaving the finer points ignored.

Kripa Institute of Training
Over the years students of various institutes like NMIMS, TISS, SNDT, etc. have shown keen interest in research. Though in case of institution such as NMIMS the objective is awareness and education however in case of the latter institutes, they often help out the NGO through fieldwork.

Picking on these trends, Kripa Foundation has lined up for the future their very own research institute, KIT.

Application of Research in Social Welfare Programs
Although in the West research has become a pre-requisite for almost every social welfare program, in India this issue still faces some resistance. First-time social marketers often feel overwhelmed by the rigorous market research processes they see in other large-scale programs. They may hesitate to incorporate social marketing activities
into their own programs, unsure whether they have the resources and expertise to undertake such a project. The heartening news is that VSOs are relying more on research and develop appropriate strategies for the social welfare programs to meet the social objectives.

7.2 SOCIAL MARKETING STRATEGY

**Shri Mahila Griha Udyog – Lijjat Papad**

In the quest of Sarvodaya, Shri Mahila Griha Udyog Lijjat Papad was launched in 1959 with a pioneer batch of 7 ladies. They started on a borrowed sum of Rs80/- with the condition to return Rs 200/- within a stipulated time. The turning point for the organization came in 1966 when the institution was registered. It was registered as a ‘Society’ under the provision of Societies Registration Act as well as the Bombay Public Act. In the same year, it was recognized by Khadi & Village Commission.

Today the organization boasts of a strength of 40,000 members with 61 branches all over India. They have a diverse product portfolio. Lijjat Papad is still its major product contributing about 70% of the turnover.

They clocked 270 crores in sales in the FY 1998-99 with exports contributing 10 crores and the profit accrued was 16 crores. The bulk of the exports are to the Middle East where there is a sizeable Indian population. They used to export directly in the 80’s but they were not geared up to handle the complex export procedures. Therefore, they now export through Export Houses, which are better equipped to comply with the export norms.
They have streamlined the entire procurement (raw material) to sales systems. The raw material is procured by the procurement team in Bombay and sent to the various centers as per their requirements. The kneading is done at the center so that the dough is uniform and the taste is consistent. This dough is then distributed to the members of the center. Each member takes between 3-5 Kg. at any one time.

The new members are given training for 2 days in making papads and all the standards are communicated to them. The members have to adhere to the standards strictly. The standards are as below

1 Kg. of dough translates in 800gm. of dried papads.
One gets 120 units of 5-inch papads from 1 Kg. of dough.
One gets 80-85 units of large sized papads from 1 Kg. of dough.

The dried papads then go through strict quality checks and are packaged in polypropylene bags by the packaging departments.

The demand forecasting technique is very simple. Based on the previous experience the demand from the various centres is determined and the production schedule for each day is drawn. The centers thus cater to the demand on daily basis and hardly carry any inventory. Thus it reduces the inventory carrying cost as well as assures fresh supplies to the retailers. If they have any stock left the production is freeze until the existing stocks are exhausted. During festive seasons when the demand increases every member takes extra work and sees to it that the demand is met and there is no loss of orders.
The members are paid Rs 13/- per Kg. of papads rolled. Thus, the members earn between Rs 60-70/- every day. The wages are given daily on pro-rata basis.

The organization has a managing committee comprising of 21 members at H.O in Bombay. The committee decides on what proportion of annual profits need to be disbursed among the members and what amount saved for expansion and social purposes.

The organization has achieved its objective of making the women self-sufficient. It has also contributed for other social purposes like child welfare. The organization has contributed a considerable amount towards the Kargil cause. Also, it built 54 houses for the villagers affected by Latur earthquake. The children of the members are provided free computer education at ZED Points.

a) Basic Philosophy of the organization
The biggest asset of the organization is its philosophy. Their belief is that as long as they strictly adhere to the philosophy, the organization will run without difficulty.

b) Basic Thoughts
In the nutshell the philosophy of the organization is as follows:
This is a voluntary organization of sisters.
It is neither for the poor nor for the rich
The organization will never accept charity or grant from anyone.
It believes in running the business widely.
The organization should be run like a family.
It is a revered place of worship.
None can change these basic thoughts of the organization.
c) **Voluntary Organization of Sisters**
There is no discrimination on the basis of caste, creed, religion or class. The organization is open to everyone. Whenever there is a scope, they can get admission into it. Since it is a voluntary organization, the sisters can join it if they like the philosophy and practices of the organization and they can leave it at their free will.
In the organization, there is no compulsion on anyone to do a particular kind of work. There are different kinds of work – i.e. making masala, weighing of flour, rolling papads, receiving papads after weighing, inspection of papad, packaging and disbursement of remuneration, keeping of accounts etc.

d) **Organization does not accept Aid or Charity**
From its very inspection the organization has never accepted from anyone, charity donation or grant. This philosophy has helped retain its independence and bringing about speedy growth. No external organization interferes with their work.

e) **Business must be run wisely**
The basic objective of the organization is to make some earning by dint of hard work and live with honour. Their first and foremost task is to pay attention to the development and growth of the business.

In business, one cannot afford to take narrow view or greedy, mean attitude. They incur expenses only if it is beneficial for the organization presently or in the future. They observe business ethics while dealing with dealers and consumers. They know that they are in the business for the long term, hence they do not do anything, which will bring down the prestige of
the organization. If the papads do not measure up to the quality they are destroyed and not sent to the market.

f)  **Proper maintenance of accounts**
The organization strictly observes the practice of maintaining the accounts regularly, writing the books daily and preparing balance sheets every month. If the daily accounts are not maintained that very night, the centre is kept closed on the next day and it does not open till the account books are completed. Similarly, at the end of the month if the balance sheet is not prepared, the centre is kept closed on the next day and it does not open till the account books are prepared.

g)  **Organization is like a family**
Every one is equal; there is no boss or subordinate. All are equal owners of the organization. It does not matter whether they receive more remuneration or less. If there is any difference among them, it is in respect of the responsibilities. Some sisters shoulder less responsibility, others shoulder more.

h)  **Organization is a place of Worship**
They believe that the organization is the manifestation of God. So, whatever economic activity goes on in the society must aim at bringing about welfare of all. The economic activity that does not have this purpose and which is done with narrow, selfish attitudes is sure to spell disaster for the society.

i)  **Traditions & Culture**
Certain traditions have been established in the organization over a period of time:
No one can tell a sister when to leave the organization:
Once a sister is admitted to the organization, no one can tell a sister
when to leave the organization. Honorary or paid employees often
organization under no circumstances can ask her to leave.
On the contrary, any sister can dismiss an employee, if he is found
violating the rules of the organization.

$j) \quad \textit{Speak Aloud}$
This is a public institution and nothing is private here. Gossiping or
discussing private matters are strictly forbidden. Whatever is to be
said must be said openly and loudly so that others around can listen.
Those who carry out gossiping about the organization in whispers, are
the archrivals of the organization.

$k) \quad \textit{There is no place for rigid rules}$
There can never be any compromise on our basic philosophy. But
there is no place here for rigid rules or regulations. We take decisions
and act according to the situation or the condition that we may face.

$l) \quad \textit{Decisions are taken by the Sisters Present}$
We do not wait for anyone specially, when something good is to be
implemented. Subsequently, the other sisters are also informed about
the decision.

$m) \quad \textit{Every sister has a power of ‘Veto’}$
Activities of the organization are taken on the basis of consensus
among all the sisters.
n) Everyone is free to take up responsibility
Any sister in our organization is free to take lead and shoulder responsibility she wants.

0) Nothing is accepted from the guests
According to the Indian tradition, we can not accept anything from our guests on any account.

7.2.1 BCG MATRIX

<table>
<thead>
<tr>
<th>Hi</th>
<th>Market Growth Rate</th>
<th>Papad</th>
<th>Question Mark</th>
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<tbody>
<tr>
<td>Lo</td>
<td>Hi</td>
<td>Khakra, Vadi, Papad</td>
<td>Dog</td>
</tr>
<tr>
<td></td>
<td>Lo</td>
<td>Sasa soap, Detergent</td>
<td>Sasa Liquid</td>
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</tbody>
</table>

The product portfolio of the organization is very diverse consisting of;

Papad
Khakra
Vadi
Bakery products
Sasa soap
Sasa detergent
Sasa liquid soap.
The market growth potential for every product and the current market shares are as shown in the grid above. The products are classified as above:

Star Products : Papad
Cash Cows : Khakra, Vadi and Papad
Dogs : Liquid Soap
Question Mark : Sasa soap and detergent.

After mapping each of the products in the appropriate grid, the task of the marketer becomes much easier. The decision making process is streamlined and properly channeled. Since the product portfolio is varied, each product needs a dedicated marketing plan. The risks are also evenly spread and the organization is less susceptible to the competitive pressures.

p) Papad

Lijjat is the No. 1 player in this segment in all the markets that it is present. Infact the brand has become generic in nature. The Lijjat name is synonymous with quality papads. The only other established competitor in this segment is Tasty.

Papad making is a labour intensive and requires low working capital. Therefore, there are hardly any entry barriers in this business. Also, there are a lot of variants of papad based on the regional and local tastes. The local operators cater to a limited geographical area and appeal to the local taste buds. These players enjoy the following advantages;

- Low cost operations
- Proximity to the market
- Daily production as per the requirements.
The disadvantages of these players are
- No brand name and hence no brand loyalty.
- No quality control
- Lack of standardization on the size and taste

The advantages that Lijjat enjoys over the other players in the market are

First Movers Advantage: It was the first organization, which launched branded papads. Thus, it is credited with creating the papad segment.

Quality Control: They have strict quality control department. They source the raw material from reputed source and stress on consistency. All the papads are of the same size and the taste is consistent across all product batches.

Economies of scale: They have 61 branches across the country with member strength of 40,000. Thus, they enjoy economies of scale advantage when sourcing raw material, which constitutes a major cost component.

Brand Loyalty: The retailers have to stock Lijjat papads even though the margins on the locally manufactured papads are high as Lijjat enjoys enormous brand loyalty.

STRATEGIES

The following strategies are followed for each of the grids:

**Build**: Here the objective is to increase the market share, even forging short-term earnings to achieve this objective if necessary. Building is appropriate for question marks whose market shares must grow if they are to become stars.

Sasa soaps and detergents fall under this category. The decision to build should be taken after considering the fact that there are large multinationals with established brands in this segment. They have
large distribution structure with economies of scale advantage. Also, there are low cost players like Nirma and Wheel, which appeal to the cost conscious customers.

The Sasa brand of soaps and detergents enjoyed the cost advantage as they received the tax benefit. They were exempted from excise, sales tax and octroi charges. But recently they have lost the cost advantage as the tax sops have been withdrawn. Also, they have to provide lot of advertising and promotion support to this product.

**Hold:** Here the objective is to preserve the market share. This strategy is appropriate for strong cash cows if they are to continue yielding a large positive cash flow. This strategy is suitable for Lijjat Papads, which enjoys the leadership status.

Hence, the strategy to be followed is to continue with the present systems and policies. The cash cow can leverage its advantage by diversifying into newer markets.

Bakery products are a high growth area and could be the organization’s growth engine in the future. But Lijjat does not enjoy brand equity in this market, which is dominated by large number of local players and few national players. Also, the MNCs have recently entered this market which has been deregulated i.e. not reserved for small-scale sector any more.

**Harvest:** Harvesting involves a decision to eventually withdraw from the business by implementing a program of continuous cost retrenchment. The hope is to reduce costs at a faster rate than the potential drop in sales, thus resulting in an increase in the company’s positive cash flow. Harvesting can be used for weak cash cows, problem child and dogs.
For Mahila Griha Udyog this strategy is applicable for Khakra and Vadi. These being regional specialties are restricted to a limited market in Gujarat and Maharashtra. The scope for diversification in new markets is negligible. The present capacities should be maintained and the focus should be on cost efficiency and profit maximization.

**Divest:** Here the objective is to sell or liquidate the business because resources can be better used elsewhere. This strategy is appropriate for dogs and problem child that are acting as a drag on the company's profits. The organization should divest its liquid soap division. The market for this product is very limited and is in the premium segment. Lijjats liquid soap brand does not have the premium image and hence is not doing well. Thus, the organization can divest this business, as it is a drag on the company's bottom line.

### 7.2.2 ANSOFF MODEL

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<th>Penetration</th>
<th>Product Development</th>
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<td>Khakra, Vadi &amp; Bakery products</td>
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</table>
STRATEGIES:

**Penetration:** This strategy is suitable for Lijjat Papads, which enjoys the leadership status. Hence, the strategy to be followed is to continue with the present systems and policies. The cash cow can leverage its advantage by increasing the usage by increase the use occasion and usage quantity.

**Product Development:** For Mahila Griha Udyog this strategy is applicable for Khakra and Vadi. These being regional specialties are restricted to a limited market in Gujarat and Maharashtra. The scope for product development for these products is enormous. Lijjat can cater to the local pallets by manufacturing fresh, bakery delicacies.

**Market Development:** They do not have much of a presence in Eastern India. This gives a tremendous scope for entering new markets.

**Diversification:** The organization has their own grounding mills for flour and dal. They also have polypropylene bags manufacturing facility. This coupled with their expertise in sourcing agricultural raw material puts them on a strong footing for an entry in the packaged commodity business.

This segment is expanding rapidly due to strong promotion carried on by major players like HLL and International Bestfoods. Lijjat can extend its brand into branded commodity like ATTA.
7.2.3 PORTER'S MODEL OF INDUSTRY COMPETITION

Other NPOs
Entrepreneurs
MNCs

POTENTIAL ENTRANTS

SUPPLIERS

INDUSTRY COMPETITORS

RIVALRY AMONG EXISTING FIRMS

BARGAINING POWER OF SUPPLIERS

Since the business is dependent on agricultural raw material and hence cyclical in nature therefore very price sensitive

SUBSTITUTES

Threats of substitute products and services

Threat of new entrants

BARGAINING POWER OF BUYERS

BUYERS

Sandwiches
Pizzas
Burger
Biscuits
Chocolates
**Competition Map (Papads)**

As seen from the competition map above the Lijjat brand is the most expensive and of the highest quality. Then too it commands the highest market share and top of the mind awareness. The success of the brand can be attributed to the laudable efforts in marketing, branding and distribution by the organization.
Product Life Cycle

As shown from the product-life cycle shown over here, we surmise that Lijjat papads along with the other brands such as Tastee and Ganesh are in the growth stage of the product life cycle. However, the interesting part that we see is that the brand Lijjat is on the curve to the higher side as compared to the other brands. The local brands could be put somewhere in the lower half of the curve in the growth stage. In a few years time the entire industry would reach a peak in the maturity stage where in the saturation level would set in. then the industry would stagnate if different new products were not introduced in the market. If at all other products are introduced in the market then the PLC would be stretched and the peak could be offset by another few years. For this to occur the brands should come out with a few variations that are needed by the consumers. Thus that could include coming out with line extensions i.e. providing many varieties in the same product line. Right now, very few variations are present in the product that is sold. They include the ingredients that are included in the manufacture of the papad also the flavours like ginger, garlic, kali miri, provide the variety that is needed in this product line. However, we think that the available line is not enough to ensure that the product does not reach a maturity level and hence a consumer
specific product could be introduced. Also the highest grosser among all the varieties that are available is the garlic papad and hence the main focus could be the garlic papad with the varieties just providing with back up supporting role that is needed.

Also the detergents which we think is actually through its growth stage and is in to its maturity stage sees a number of players in the market. This includes a number of MNCs like HLL, P&G and Henkel. Therefore, this is not all an easy market for the VSOs. There is cut throat competition in the market. The entire industry is going through the maturity phase where in the market is cluttered with a number of players big and small. There is also no clear winner in the race with the other players i.e. third and the fourth also having a per se a good share. The sales have stabilized as the consumers have already accepted the product. Now whatever spending takes place is just to protect the market share the company has and not to increase the market. Though there could be an increase in the market share by a few percentage points but they wouldn't be appreciable enough. VSOs just couldn't match the marketing as well as the ‘deep pocket’ strength of the MNCs over here and hence it is reduced to a marginal player, which it should be contented with. Moreover, a new market like the rural areas if not tapped should be looked at with more alacrity.
7.2.4 FINDINGS
The study has revealed that Lijjat Papad is following the various models, unconsciously namely;

1) BCG Matrix
    Here Papad is the ‘Star Product’ and Liquid Soap is the ‘Dog Product’.

2) Ansoff Model
    Market development Masalas & Papads
       Diversification packaged commodities.

Porter’s Model of Industry Competition
It is observed that Lijjat Papad ranks high on quality and high on price compared to ‘Tastee’ & ‘Ganesh’ its competitors.

7.2.5 CONCLUSIONS
VSOs use Marketing strategies and different models but they were the result of their gut feeling and practical insight to the market & not application of conceptual understanding.
There has been a drastic change in the work culture of the organizations, which is towards professionalism. The organizations are moving towards surplus generation to gain self-sustenance and avoid dependence on donors by using social marketing strategies.