CHAPTER I

INTRODUCTION

(Covered in sections 1 to 4)
1. RATIONALE, RESEARCH GAP & PROBLEM STATEMENT

1.1. In recent years, non-governmental organizations – the voluntary sector - have come to play an increasingly important role in socio-economic development and in bringing about desirable changes in social behavior, both in developed as well as in developing economies such as India. The difference lies in the focus of activities. While NGOs in western countries have reached a certain level of maturity and are more preoccupied with larger issues such as awareness of cancer, promotion of a nutritious diet and non-smoking, to name a few, the voluntary sector in India and some Asian economies is still grappling with the more basic issues of poverty reduction, awareness and prevention of AIDS, family planning and availability of clean water. This growing sector and its effectiveness as a supplement to governmental efforts is an important area for study.

1.2. Governments, especially in developing economies, are severely limited in their capacity to promote social development, due to lack of resources, both financial and managerial, to comprehensively handle such a formidable task. On the one hand, the tax base is too narrow to generate adequate funds for an endless list of competing needs, further aggravated by the demands of pressure groups. Governments also lack trained managers with a focused approach, who can implement social marketing programs effectively at the grass roots level. This is where NGOs can fill the gap, since they have the potential to attract funds from donors and offer the services of trained professionals. While NGOs have a vacuum to fill and have the potential to bring added value to governmental efforts, it is to be examined whether they are able to live up to this potential, and if not, what is hindering an effective performance of their role.

1.3. Another drawback with governments in developing countries is their “multi-layer” or hierarchical approach, characterized by bureaucracy and delay in decision making, which reduces their effectiveness in implementing programs. Unlike the NGOs, which have the capacity to work closely with their beneficiaries, governments are far removed from their beneficiaries. While NGOs have enormous potential, how far they have used these inherent advantages to good effect is another issue requiring study.
1.4. NGOs are not without their downside. In developing countries, NGOs have been surrounded by controversy, since several of them are reported to be corrupt, guilty of misusing funds and engaged in using foreign funds for political and religion related activities. The extent to which commitment to development is diluted by extraneous objectives is not the main purpose of this study, but it may emerge as its useful by-product.

1.5. The sheer diversity of NGOs and their demonstrated potential to play a pivotal role in the social development of both developed and developing countries justifies their choice as the main focus of this study. Today, NGOs are of many different categories, including international, national and grassroots organizations, special interest organizations and membership organizations of the poor. They are also engaged in diverse activities, including relief work, social development, welfare, human rights and environmental issues.

1.6. In recent years, especially in developed countries, the voluntary sector has not only “filled in the gaps” in performance of both the public and private sectors, but has taken the initiative to respond to their failures. The biggest advantages of NGOs as compared to the government and private sectors are their potential to contribute in terms of the sheer volume of work, their participatory methods of functioning and their ability to reach underprivileged sections of the community. NGOs could become highly specialized, in the sense that they could focus on problems that are unique to each community within the country. They can help to make the development process more transparent and accountable. It remains to be seen whether this potentially powerful instrument of social development is able to function to its potential, using social marketing principles to achieve its objectives, as has been done successfully in other parts of the world including backward regions of Africa.

1.7. Many governments that focus on women’s issues, reduction of poverty, awareness and prevention of AIDS, have not been able to reach these groups as effectively as NGOs. NGOs, thanks to their experience, are also better equipped to deal with environmental issues than the government or the private sector.
1.8. Experience elsewhere shows that applying social marketing techniques and participatory methods involving communities in social development programs offer reasonable guarantee of good results and sustainable impact.

1.9. Omana, Julius (2005) argues that NGOs have particularly demonstrated their ability to fill in the gaps in performance of the government and private sector in countries that have been ravaged by war, such as Afghanistan, Uganda and Sudan. In such situations, the first and second sectors - the government and the private sectors – are known to have been unable to rise to the occasion under severe pressure.

1.10. In today’s scenario characterized by tension and conflict, informal civil society institutions such as NGOs have enormous potential to play a significant complementary role to governments, due to their proximity to communities, transparency and accessibility.

1.11. NGOs are also an important component of the social capital of any community. The success of community driven development, which involves working closely with the poor and other communities, depends on the existing social institutions such as NGOs.

1.12. According to Fowler (1991), quoted by Zaidi, Akbar S. (1999), NGOs are perceived to be more cost effective than the governments in delivery of services, more participatory in their approach and better equipped to target vulnerable sections of society. He goes as far as saying that NGOs can in fact, contribute to “greater democratization and institutional accountability” when the public sector fails. The study may throw light on some of these aspects, while the main focus remains on the scope and application of social marketing principles and practices by NGOs engaged in socio economic development.

**RESEARCH GAP**

1.13. The review of existing literature on social marketing covering scholarly articles, research papers and books on the subject shows that the area of social marketing has not been adequately researched and that there is a dearth of published material, especially on crucial parameters influencing the effectiveness of social organizations in the fulfilment of their mission. Factors leading to the success or failure of a social marketing program include cultural adaptation strategies, communication methods, organizational structure for
effectiveness, funding strategies, monitoring and review mechanisms, control on cost of
delivery and strategies to ensure sustainability. Paucity of published material is indicative of
the large scope for research in the area of social marketing and the functioning of social
organizations in the Indian context. Enquiries have also been made with the Universities of
Bangalore, Mysore, Madras, Annamalai, Pondicherry and Andhra to ascertain the ground
covered by past and current Ph.D. theses, with respect to the usefulness and application of
Social Marketing principles by voluntary organizations in India in their social development
activities. These enquiries show that no work has been done in this area. In the circumstances,
it is believed that the proposed study would make a start in addressing this research gap.

**PROBLEM STATEMENT**

1.14. There is currently no social marketing model for social organizations to follow as a
guideline. The study will attempt to develop such a model that would lend itself to adaptation
to different cultural contexts and to identify parameters of effectiveness of social marketing
programs.

1.15. The rationale for choosing social marketing by NGOs as the subject for this study,
explained in the foregoing paragraphs, can be summed up as follows.

1.16. In countries like India, the financial and organizational needs for socio-economic
development are enormous. A preliminary literature survey shows that in most countries of
the developing world, public revenues of the government are inadequate to meet these needs.
The private sector, although engaged in some measure in social activities, is by and large
driven by a profit motive. Therefore, there is a need for a third force – the NGO or the
voluntary sector – to fill this vacuum, by offering expert services and by becoming an agency
for mobilizing financial and managerial resources. This also explains the growing importance
and role of the NGO sector. Enquiries with Universities in South India show that study and
research material on this rapidly growing, economically significant third sector are rather
scarce. The foregoing is indicative of the significance of this study with particular reference
to the scope and effectiveness of the use of social marketing principles and forms the central
theme and primary research objective.
1.17 Area Chosen for Study: The study will be focused on the southern states of Tamil Nadu and Karnataka, based on talks with experts that indicate that these are fairly representative of NGOs across the country. Accurate statistical data on the number and strength of activity of voluntary organizations in different states is unavailable, even from official sources such as the NGO database of the Planning Commission, or that of CAPART (Council for Advancement of People’s Action and Rural Technology), which is the organization through which government’s funding is extended to NGOs in the country. The lack of data is due to two reasons – one, there is no distinction among non-government organizations of various types; two, these non-government organizations can register themselves under different legislations of the Government. There are also organizations that have not registered at all and which function in the area of social development. However, based on available statistical information from the website of the Planning Commission (indicating a total strength of 16976 NGOs in the country) Tamil Nadu, with 1209 functioning NGOs, ranks among the first four states and Karnataka with 727 NGOs, ranking eighth in India is positioned neither among the intensive NGO active states, nor among the low activity states. It is positioned somewhere in the upper middle of the national spectrum. Therefore, taking Karnataka and Tamil Nadu for the study would represent a good profile of the active and potentially active areas of the country. The NGOs in these two states have therefore been chosen for this study and their current activities will be researched through secondary sources.
2. OBJECTIVES OF THE STUDY

2.1. The purpose of the study is to do an assessment of the marketing strategies that are currently followed by some leading NGOs in India, to identify the traits of the successful NGOs and to establish a benchmark for other social organizations. Based on the findings, the appropriateness of different social marketing models for different situations will be explained. An approach for brand building of social organizations may also evolve from the study.

2.2. The primary research objectives may be listed as follows –

i. To analyze the traits and marketing strategies of NGOs, assess their relative impact upon the organization’s effectiveness, resource utilization and overall achievement.

ii. To evolve from the above, the success factors, benchmarks of effectiveness and a social marketing model.

2.3. The secondary objectives are as follows -

i. To assess and measure, to the extent feasible, the cost of delivery of services, in relation to the objectives of social programs.

ii. To identify operational aspects that are sensitive to socio-cultural factors peculiar to each area and to indicate adaptive measures needed for social marketing of programs under different situations.

2.4. Several other concerns on the effectiveness of the functioning of externally funded non-government social organizations may well elicit indicative answers from the proposed study. The following are some of these concerns-

2.5. The cost of delivery of the desired service is very important, since organizations tend to loosen on commitment to get the desired results at any cost when they are externally funded
and not driven by the energy that ownership generates. Cultural differences between the funding agency and the funded and, if the former is an external agency, his lack of knowledge of cost norms in the area of implementation, may lead to laxity in financial discipline.

2.6. Is there integration and coordination among social organizations working towards the same social goal? Or are they working at cross purposes, duplicating resources and generally leading to sub-optimal use of monies and materials?

2.7. There are two main stakeholders viewing the NGO – (a) the beneficiary: does he or she find what is delivered to be useful and is the delivery methodology effective and culturally compatible? (b) the benefactor: is he satisfied with the effectiveness of use of resources? Are there efficiency norms and accountability for operational costs and goal setting? If so, are mechanisms internally available to track them?

2.8. It is hoped that answers will be found for at least some of these issues.
3. HYPOTHESES

3.1. Wiebe, G.D. (1952) and Kotler (1971) in their early studies on social marketing, converge in their viewpoint that “market-like circumstances” are necessary for the application of marketing principles to social development activities.

3.2. Market-like circumstances consist of product, price, place, promotion, which have been described as the 4 Ps in classical definitions of commercial marketing.

3.3. Social marketing in its broader definition embraces the following activities – a) social service, such as care of the aged, disabled, poor, etc. and running schools and hospitals. b) advocacy, for creating awareness of rights among the backward and depressed and helping them to demand recognition. c) activities, involving behavior change, for better health, etc. and d) activities involving promotion of technology (e.g. bio gas), ideas and concepts (e.g. rain water harvesting, self help groups, building rural institutions, environment conservation).

3.4. Market-like circumstances are not prevalent in the case of activities a) and b), whereas the elements of market-like circumstances can be identified in activities covered by c) and d). This is explained as follows.

3.5. Product by definition includes tangible goods and intangible services. Activities under c) and d) involve extending intangible services and sometimes even tangible goods such as selling condoms.

3.6. In the context of social marketing, where no monetary payment by the beneficiary is involved, price can be said to be in the form of the sacrifice or inconvenience undergone by the target group in adopting the new practice in return for benefits such as improved health. This does apply to activities c) and d).

3.7. Place refers to distribution. Distribution of services implies extending the service at the right place where the target is most likely to receive it favorably. This does apply to activities c) and d).
3.8. It is evident that promotion of products, services, ideas and concepts is necessary for persuasively communicating the benefits of such new concepts and ideas. This necessitates the correct choice of the message and the medium. All this does apply to activities under c) and d).

3.9. Therefore, hypothesis 1 may be restated as two sub hypotheses as follows –

**Hypothesis 1**

If “market-like” circumstances are prevalent, marketing principles will be relevant and applicable to social marketing by NGOs.

**Sub-hypothesis 1**

“Market-like circumstances, namely, the 4 Ps, are prevalent in certain NGO activities involving behavior change and promotion of technology, ideas and concepts.”

**Sub-hypothesis 2**

“If market-like circumstances are prevalent, marketing principles will be relevant and applicable to such NGO activities.”

3.10. The second hypothesis is a generalization of the viewpoint of Walsh, D.C. et al (1993)\textsuperscript{13}, based on a study of development in the field of public health. Their finding is that programs for public health in the voluntary sector cannot transplant the marketing strategies used in the commercial sphere. What is needed is not standardization but adaptation of marketing strategies in social marketing, since the circumstances involved in the marketing of ideas and concepts are considerably different from those involved in the marketing of products. Hypothesis 2 may thus be stated as follows -

**Hypothesis 2**

What determines success in social marketing is not transfer but adaptation of strategies to suit the circumstances involved in the “marketing” of concepts, ideas and behavioral change.
By testing this hypothesis, our goal is to understand whether successful NGOs owe the success to adaptation of strategies, or whether they “imitate” strategies, in which case, their success is attributable to other factors. A list of success and failure factors could then be developed and successful NGOs could be benchmarked.

3.11. Hypothesis 3 is an extension of hypothesis 2, which makes the assumption that the principles of commercial marketing require some degree of adaptation to social marketing. Social marketing, more than commercial marketing, is all about change of habits, according to Jha, Mithileshwar in *A Manual on Culturally Adapted Social Marketing*, edited by Epstein, Scarlett T. (1999)\(^6\). While such change in the case of commercial marketing only involves buying an organization’s products on a regular basis, bringing about social changes often means a sacrifice or inconvenience initially, till the beneficial effects are felt later (e.g. quitting smoking) and for that reason, often meets with resistance (e.g. the practice of family planning in tradition bound societies like India is frowned upon). It is argued that this kind of resistance to change is strongly rooted in culture. Social marketing strategies must be adapted to cultural values, rather than try to change them. The concept of Culturally Adapted Social Marketing (CASM) is based on the differences between application of marketing practices in the commercial and social spheres. CASM involves use of marketing and communication strategies that can convincingly overcome cultural barriers to social behavioral change. It would be interesting to see to what extent CASM is being adopted by the organizations that form part of this study. Have these organizations identified cultural barriers and are they reflected in their marketing strategies? Has the use of CASM led to success in bringing about the desired change? These are the questions to be answered by the study.

**Hypothesis 3**

Cultural barriers come in the way of behavioral change. Assimilating cultural forces increases the effectiveness of social marketing.

3.12. While the first three hypotheses are concerned more with the effectiveness of the social marketing strategies of NGOs, the fourth hypothesis argues that the best predictors of the organization’s sustainability through its ability to raise funds are its institutional image and
reputation for effective delivery of services, as well as the organization’s legal identity. This hypothesis is based on the findings of Tandon, Rajesh (2002)[11], who pointed out some of the difficulties faced by Indian NGOs in raising funds. Currently the NGOs that are registered under the Society and Trust Act are clubbed along with other voluntary organizations such as clubs, schools and hospitals. They do not enjoy a separate legal identity that demands compliance with reporting and disclosure standards. Without this, funding agencies may be hesitant to provide substantial funds.

3.13. The literature review has also indicated that apart from the status of legal recognition, the fund raising ability of NGOs may also depend on certain forces in the macro environment, notably political forces. Jalali, Rita (2006)[5] argues that funding of Indian NGOs by external sources is closely monitored by the government. Factors such as how well the NGO is organized or how good the cause promoted by the NGO is have not increased their fund raising ability. This view that funds are not distributed in an equitable manner is reinforced by Vaidyanathan, R (2005)[12].

Hypothesis 4

The fund raising ability of NGOs is a function of identity with societal forces and the status of legal recognition.

3.14. Hypothesis five links the fixed costs of an NGO to the effectiveness of their social programs. The effectiveness and the very existence of NGOs may depend to a large extent on the incidence of its fixed cost. Virtually and as a thumb rule, incidence of fixed cost is an indicator of the cost of delivery, heaviness of its overheads and marketing efficiency. This inference seems permissible, based on the findings of Vaidyanathan, R (2005)[12] regarding NGO accountability, costs and expenditure. He is of the opinion that due to high fixed costs of Indian NGOs, much of the money is being absorbed for their overheads, instead of being spent on the beneficiaries, thereby reducing the effectiveness of the social programs. The study will attempt to find out from the internal management of the various NGOs in the sample and from other experts, whether high fixed costs adversely affect effectiveness, or whether NGOs with high fixed costs are still perceived to be successful.
Hypothesis 5

High fixed costs of NGOs adversely affect the effectiveness and continuation of social programs.

3.15. Yet another success factor that remains to be tested by the study is the nature of the relationship maintained by the NGO with its stakeholders. As with commercial operations, social organizations need to maintain and foster sound linkages and relationships for successful fulfilment of their mission. In other words, does stakeholder relationship directly affect performance? The primary stakeholders of an NGO are the government, the beneficiaries of the social programs and the benefactors, or the funding sources. Raval, Dinker et al (2007) advocate what they call “relationship oriented” social marketing strategies, which in their opinion are more durable and sustainable than strategies that are “transaction based.” Social marketers who understand different types of relationships and use them to develop strategies are the ones who achieve success in the long term, while social marketers whose strategies are transaction based achieve only short-term results.

The study will attempt to identify the nature of the relationship maintained by the NGOs with their different stakeholders and to what extent this relationship paradigm has led to success or failure of the NGO.

Hypothesis 6

Performance of successful NGOs is influenced by the quality of relationship they have with their stakeholders.

3.16. Apart from identifying success factors, one of the main objectives of the study is to determine some of the traits of successful NGOs. Successful NGOs are characterized by style of leadership. This will be tested by finding out the self-assessment of the internal management of the NGOs in the sample, as well as the perceptions of the benefactors regarding their leadership style and effectiveness.
Hypothesis 7

The success of an NGO is due to its leadership style.

3.17. The next hypothesis makes an assumption that successful NGOs are those whose marketing strategies are developed within the framework of the overall corporate strategy and which take into consideration factors in the macro environment. These include social, economic, cultural, political and legal factors. In other words, marketing strategies cannot be formulated in isolation.

Hypothesis 8

Strategies of successful NGOs are drawn from the organizational and societal framework.

3.18. Since formulating the above-mentioned hypotheses, based on extensive survey of available literature and research studies, it has been possible to develop specific hypotheses related to factors affecting performance effectiveness of socio-economic projects following the “Structural Equation Model”. The starting point for developing this model is the Log Frame (Logical Framework) Matrix or Analysis, used by many international financing institutions for assessing performance of socio-economic projects. There are three components in the Matrix – 1) Input, or what is put into the organization (for example, resources, training, infrastructure, technical assistance), 2) Output, or what the organization puts out (for example, number of brochures or training programs, or number of Self Help Groups formed) and 3) Outcome or impact created by the Output or what comes out of the Output (for example, number of loans received, women starting businesses, children enrolling in schools). According to the Matrix, Input influences Output, which in turn influences Outcome. Ideally, according to the Log Frame model, NGOs need to measure performance effectiveness not only in terms of Outcome, but also in terms of Output. Output measures the immediate (short-term) effectiveness in terms of means adopted to create the desired impact and Outcome measures the eventual (long-term) impact, which, ideally, is sustained even after the project support is withdrawn.
3.19. The Structural Equation Model was developed in three stages – i) Identifying the relevant variables, including quantitative variables, dependent and independent variables and latent or unobserved variables that have a bearing on any of the three components described above. ii) Developing a flow diagram to illustrate how the variables are linked together and iii) Developing equations indicating the relationship between these variables, from which hypotheses could be derived.

3.20. The flow diagram below shows the different variables and how they are linked –

Figure 1

Flow Diagram of SEM

3.21. The following hypotheses are made, based on the flow diagram –

Hypothesis 1

Input size significantly influences output.

This implies that the amount of resources in terms of funds or expenditure would determine both the quality and quantity of output, as measured by the quality and number of training sessions, for example.
Hypothesis 2

Output significantly influences outcome.

For example, it is expected that the number of SHGs formed would determine the number of women entrepreneurs starting their own businesses.

In addition to the variables in the Log Frame Matrix, there are other “latent” variables that could also have a bearing on either output or outcome, as specified in the flow diagram. These latent variables include marketing related traits, some of which are specific to social marketing. The following hypotheses are based on these latent variables.

Hypothesis 3

Clarity of objectives leads to significant output.

Specifying objectives is a part of marketing planning and is applicable to social marketing as well. Unless the social marketing organization is clear about what they want to achieve, they cannot design the right number and quality of training programs, message leaflets, etc. to be able to achieve success.

Hypothesis 4

Leadership style significantly influences output.

The quality and quantity of output are both affected by the type of leadership, which may range from a democratic to an autocratic style of leadership.

Hypothesis 5

Quality of management significantly influences output.
Similarly, the way the organization is run would decide how quickly and efficiently the outputs are created.

**Hypothesis 6**

The purpose of the partnership significantly influences outcome.

Partnership is one of the important Ps of social marketing and refers to networking and alliances with other organizations. Alliance with another NGO, private sector, or the government will lead to better geographical coverage and functional sharing, if the purpose is to combine strengths to create better impact.

**Hypothesis 7**

The type of stakeholder relationship influences outcome.

This refers to “Publics”, which is another important “P” for the success of social marketing. A relationship based on involvement of stakeholders, particularly the community, opinion leaders and local bodies, would go a long way in creating better impact through unity of message and an environment favorable for success. This would involve using a participatory approach, whereby the NGO works in close consultation with the community in designing and implementing their programs.

The hypotheses identified above will be tested separately and linked with the overall hypotheses stated earlier.
4. DEFINITION AND SCOPE

4.1. This study is about the relevance and application of marketing principles in the transfer of products, ideas and concepts towards social development requiring extensive behavior transformation. It is necessary, therefore, to define what social marketing is, what NGOs are, what type of such institutions fall within the scope of our study and why.

Social Marketing

4.2. Social Marketing (SM) itself is a term that has come into vogue relatively recently, although it has been in practice in social development activities in an informal way for many years without being so called. The term is often mistaken to refer only to advertising to educate people and bring about change in attitudes, whereas SM is really as wide and comprehensive a concept and practice as Commercial Marketing (CM) and, as a matter of fact, is much more complex than CM. From available literature it is evident that it is extensively used in the non-profit sector in bringing about social and environmental development through changes in people’s habits, characteristics and lifestyles. A few examples of areas of application for such changes are environment degradation, unhealthy diet and family planning.

Dissimilarities with Commercial Marketing

4.3. The essential difference between CM and SM is that CM’s goal is profit, while SM’s goal is societal benefit (Smith, William, 2006). Smith defines marketing itself as a professional craft rather than a science, which uses several scientific disciplines to influence behavior on a large scale. The similarity between CM and SM is that both target behavior. CM tries to bring about change in purchase, product choice and product promotion habits, by getting consumers to buy the company’s product rather than the competitors’ product and to talk positively about the company’s product. On the other hand, SM targets complex social practices and addresses audiences who often do not realize that they have a problem or are seeking a solution. Based on the above definition and distinction, SM may be viewed as “a program management process (sequenced action steps) designed to influence human behavior on a large scale by creating benefits and reducing barriers that matter to specific audiences
through consumer oriented decision making leading to increased societal benefit” (Smith, William, 2006).

**Similarities**

4.4. Andreasen, Alan R (2000)² has brought out the basic similarities between SM and CM by identifying standard components of a SM program, which he calls the “essential benchmarks of a genuine social marketing intervention.” They are as follows.

a) Behavior – The SM program aims at bringing about behavioral change and establishes measurable objectives

b) Consumer Research – Formative research is conducted to determine the target group’s needs before developing the SM program. The elements of the SM program are then pre-tested with the target group before implementation of the program, so that strategies could be fine tuned if needed.

c) Segmentation and Targeting – Similar to what is done in CM, the market is segmented using various bases of segmentation and the SM strategy is tailored to a particular target group.

d) Marketing mix – The SM marketing mix is designed, comprising of the traditional 4 Ps (Product, Promotion, Pricing and Place), as well as the additional Ps or dimensions, that is, Policy, Publics, Purse and Partnerships. A complete SM program would include all the Ps.

e) Exchange – The concept of exchange is applicable in SM as in CM. In SM, however, exchange means that the program offers a benefit to the target group which may be tangible (e.g. rewards for participating in the program or for change) or intangible (improvement in health). In return, the target group pays not necessarily a monetary “price”, but in terms of the “cost involved” to the “buyer”, which may be monetary (e.g. in the case of condoms bought at a price, sometimes subsidized) or psychic (the sacrifice or effort involved in change, such as giving up smoking).
f) Competition – Competition in the case of SM refers to having to deal with competing behaviors, rather than competing products, as with CM. For example, in the case of giving up smoking, competing practice might be to taking to consuming liquor for the temporary benefits or pleasure that it provides. Such factors should be identified and analyzed even before the SM intervention is developed, so that strategies could be devised to minimize or eliminate such “competition”.

Special Features of SM

4.5. The Marketing Magazine, Toronto (1996) suggested that social marketing, especially social marketing campaigns for the promotion of public health involves other considerations – again, stated as six Ps. They are Policy, Proof, Politics, Public Relations, Partnership and Program Planning. It seems to be a prevailing fashion in the field of marketing to state all parameters in terms of Ps. Although a bewildering number of Ps are added, the basic four Ps, as in CM, are the foundation upon which all others rest. It is necessary to review the need for extolling the six new Ps as special features of SM.

4.6. Policy refers to the policy environment or the regulations with respect to public health. While social marketing programs can bring about changes in practices in the short run, the policy environment determines whether the change will be sustained in the long run. Policy is an important factor affecting the effectiveness of SM but cannot be said to be a part of the marketing strategy.

4.7. Proof refers to the ability to measure success. This implies that the effectiveness of social marketing programs should be measured based on specific performance indicators, similar to what is done in commercial marketing. Measurement of results is a natural requirement of any activity and cannot, again, be said to be a part of the SM strategy.

4.8. Political system is an important element for success as its collaboration or consent is essential. The comments as under Policy are valid here too.

4.9. Public relations are an important part of social marketing. PR with all stakeholders combined with good performance enhances credibility and creates confidence among those who are critical for financial continuity of the SM organization. This is really covered by the
second P in the conventional marketing mix, namely, Promotion, and cannot be said to merit mention as a separate component of strategy.

4.10. Partnership or collaboration between different agencies and organizations working closely together is vital for the success of any social marketing program and especially for public health. In the context of social marketing for public health, for example, partnership could be established between nutrition education networks that promote healthy foods, agriculture marketing boards, supermarket chains and district offices of major food manufacturers, distributors and wholesalers. One could take the view that this is part of distribution strategy covered by the fourth P, Place, in the marketing mix.

4.11. Program planning is an equally important aspect of social marketing. It refers to coordinating the efforts of all the partners, working closely with the beneficiaries of the social marketing program to develop the desired message, setting up community based organizations and ensuring implementation of the program. There seems to be some confusion between management aspects, like program planning and implementation, and marketing strategy aspects. Need for program planning, setting goals and implementation are important for all activities and SM or CM is not an exception.

**Complexity Involved in the Objective of SM**

4.12. The task of transforming human conduct and practices is a complex one. It is particularly difficult to bring about in three situations – i) change in group rather than in individual behavior ii) permanent change rather than a one-time change and iii) change in high-involvement (i.e. that which requires change in perceptions and values) vs. low involvement situations. These are the special demands made upon SM as opposed to CM.

**Output/Outcome in SM versus Cost and Profit in CM**

4.13. According to Schneider and Cheslock (2003)⁹, a social marketing program includes inputs (e.g. dedicated resources such as paid staff or volunteers), activities (e.g. hands-on teaching), outputs (products of activities) and outcomes (benefits of activities). The effectiveness of social marketing programs should be measured in terms of two metrics - “outputs” and “outcome”. Outputs refer to specific services rendered, such as training programs. Outcome refers to the results of participation or the benefits derived by the
participants, such as skills gained, attitude change and improved knowledge and practices. These are measurement yardsticks special to SM as distinct from measurement by sales volume, market share and profits in the case of CM.

4.14. According to UNAIDS (Joint United Nations Program on HIV/AIDS), Geneva, social marketing may be defined as the adaptation of commercial marketing concepts for achievement of social goals. With respect to promoting public health, its immediate objective is to make health related information, products and services available and affordable to poorer sections of society, with the ultimate goal of bringing about sustainable adoption of new practices. SM for promoting public health has its roots in family planning, but is now being extended to address various health issues such as prevention and care of malaria, leprosy, tuberculosis, alcohol and drug abuse, both in developed and developing countries. SM complements and facilitates the task of the existing public health system, by making available low cost products and services.

4.15. SM has been playing a particularly important role in improving sexual and reproductive health through the distribution of condoms. SM programs for promoting reproductive and sexual health are also being supported by governments in various countries, in the form of tax exemptions granted to socially marketed products such as condoms, the governments directly subsidizing these products or relaxing the ban on advertising these products through the mass media.

**Unique Responsibilities of SM**

4.16. Social marketers have certain unique challenges and responsibilities, as compared to commercial marketers.

4.17. Public Scrutiny – Since SM aims to bring about social welfare, its activities are often closely monitored by the government, funding agencies and the general public. A formal or informal system for tracking performance and making sure the funds are not misused is usually set up. Social marketers have to use public relations to maintain a positive image of the organization in the eyes of these stakeholders.
4.18. High expectations – As compared to commercial marketers, social marketers are faced with high expectations and quick results in the difficult task of transforming problem behaviors.

4.19. Overcoming negative demand – As emphasized earlier by T. Scarlett Epstein, social marketers have to face negative demand in the sense of resistance to an idea or refusal to give up something (e.g. family planning) and succeed in converting this to positive adoption.

4.20. Targeting – In commercial marketing the softest target is chosen first to market the product, whereas in social marketing, it is more often the difficult target that is chosen first for change.

4.21. Sensitive issues – Social marketers often deal with highly sensitive social issues, such as women’s empowerment, AIDS awareness and so on, which are likely to offend cultural sensitivities. In order to be successful, they have to understand and adapt strategies to cultural norms.

4.22. Communicating invisible benefits – While commercial marketers can promise clear cut benefits to their consumers, social marketers are involved in bringing about changes that lead only to invisible benefits and that too in the relatively longer run. For example, conservation of the environment is likely to prevent global warming in the long run. There is no way of verifying by experience that the adopted change has led to the benefit.

4.23. Indirect benefits – SM does not always lead to direct benefits. Energy conservation and observance of traffic rules are examples of change that will lead to benefits for society at large, but not for a particular individual.

4.24. Budget constraints – Commercial marketers do not have problems in using larger budgets to achieve their objectives. In contrast, social marketers have limited budgets, since they are dependent on external funding and its uninterrupted continuance.

4.25. Weak faith in marketing practices – Social marketers are generally trained in other disciplines, lack marketing orientation and even mistrust people with a marketing focus.
SM and Corporate Social Responsibility (CSR)

4.26. Although CSR is not within the scope of this study, it does fall under the category of social service as well as social marketing practiced by the commercial sector. Corporate Social Responsibility has been defined by the World Business Council for Sustainable Development as “the ethical behavior of a company towards society.” Today, commercial organizations are getting increasingly involved in social development, in order to project their image as good corporate citizens. CSR has gained momentum in India over the last few decades. There are several examples of both private and public sector Indian companies promoting social development. Tata and Infosys are examples. The Infosys Foundation, a company linked NGO, has been actively involved in the construction of a super specialty hospital in Andhra Pradesh and in the reconstruction of a school in Karnataka. The Azim Premji Foundation, Wipro’s company linked NGO, has been providing elementary schooling to underprivileged children. Yet another example is Apollo Tyres, which, in partnership with 36 NGOs, launched the Apollo Tyre Health Care Centre in October 2000, to promote general and sexual health of truckers and transportation communities. The center also provides diagnosis and treatment of STD, communication and promotion of condoms. The private sector business organizations engaged in social development assume different forms – they partner and support recognized NGOs by providing them monetary and strategic assistance, or they form an independent organization under the umbrella and support of the Company, managed by their well qualified, experienced officers, or the latter may function in partnership with NGOs specializing in certain fields.

4.27. Commercial organizations have also added a societal dimension to their marketing efforts, which could be referred to as responsible marketing. For example, warning against risks and hazards in usage, incorporating safety features (in cars) and liquor companies advocating moderation in consumption could come under the category of societal marketing. These do not fall within the scope of this study.

4.28. The reason for excluding CSR related organizations is that they are invariably governed and influenced by the in-house marketing expertise and philosophy of the mother organization. The objective of this study on the other hand is to find out whether independently functioning NGOs are aware of the usefulness of employing marketing
principles in social development, as is the practice and experience of similar bodies in the developed countries.

4.29. Awareness of CSR gained strength with the emergence of large multi-national corporations operating in developing countries. CSR was considered an answer to the growing criticism of profit as the sole purpose of business firms without regard for the welfare of the society and its environment from which they derived profits. Says IBM CEO T.V. Learson: “Corporations typically have a self-interested approach to adopting CSR values; either for marketing purposes, or to sustain acceptance among socially conscious investors, consumers, competitors…”. Measurement of CSR implementation is limited by lack of empirical data. Non-governmental organizations (NGOs) play a role in western countries as “credible, third-party auditors of conduct”.

4.30. The January 2005 *Economist*, in its cover story, questioned whether in an intensely competitive global marketplace, companies could afford the luxury of CSR. The *Economist* stated that business' greatest “social responsibility is to create wealth for shareholders, put people to work, contribute revenues to its communities and raise the economic standard of living for the world”. It seemed to question whether CSR was any longer sustainable in a competitive world. The way in which companies exercise their CSR behavior must ultimately be reconciled to profit and shareholder concerns and it is a happy situation when CSR and bottom line concerns converge.

**Sustainability and Institutionalization**

4.31. Two concepts underlying SM are “sustainability” and “institutionalization.”

4.32. Sustainability means that the change has to voluntarily be maintained without the prop or support of the organization. It is easy to bring about a one-time change in behavior, but more difficult to sustain that change.

4.33. Institutionalization means getting local organizations (e.g. village panchayats or groups) to take over the social marketing process, so that it continues even when there is no financial and strategic support from outside agencies. It involves capacity building or training local staff and organizations in critical marketing skills.
Organizational Environment Special to SM

4.34. Apart from the elaborate list of distinguishing features of SM, the differences in the organizational environment of the profit and non-profit sectors are succinctly summarized by Andreason, Alan R (2000, 2006)²,³.

4.35. First, in commercial organizations, the shareholders are the owners and therefore exercise considerable control over the decision making process in the organization. On the other hand, funding of non-profit organizations is usually in the form of external grants, foundations and from donors. Since they do not receive dividends like shareholders, they do not have the same degree of commitment to the organization, or control over organizational decision-making.

4.36. Secondly, it is easier to measure and evaluate performance in the commercial sector than it is in the non-profit sector. In the commercial sector, clear cut objectives are set in terms of sales, market share, profits and other metrics and performance is measured against these objectives. On the other hand, objectives of the non-profit sector are less specific – for example, giving up smoking, encouraging the practice of family planning, or promoting the concept of micro-credit or women’s empowerment – and therefore it is more difficult to measure performance against these objectives.

4.37. Finally, unlike the commercial sector, where the target audience gets direct benefits from the purchase of products and services, the benefits of change advocated by the non-profit sector in the form of non-economic transactions are often indirect, or felt only by third parties. Conservation of energy and adherence to traffic rules do not benefit any one individual directly, but rather society as a whole.

Non Government Organizations (NGOs)

4.38. Kotler refers to SM as the “the use of marketing principles and techniques to influence a target audience to voluntarily accept, reject, modify or abandon a behavior for the benefit of groups, individuals or society as a whole.” The term “voluntary” implies that the behavior cannot be forced; and that it also has to sustain on its own without external support. A social marketing organization (SMO) is a formal or informal entity, which manages and implements
promotional activities for the achievement of social goals. Thus an SMO is not necessarily legally registered and could include a wide range of organizations such as trusts, government agencies, commercial organizations, consulting firms and non-profit organizations.

4.39. Since the focus of this study is on SM by NGOs, it would be relevant to define an NGO. According to the World Bank, NGOs are "private organizations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services or undertake community development". The WB collaborates with national and international NGOs in different ways. The WB is of the opinion that the term NGO is a broad one, including diverse organizations. This is particularly true in the Indian context, where an NGO could include organizations such as clubs, schools, associations, trusts and so on. There is lack of a legal identity or status for NGOs that are purely engaged in SM. For the purpose of this study, we will classify NGOs into 2 broad categories – the commercial and voluntary sector. In the commercial sector, private organizations may be involved in SM to project their CSR. However, CSR is not within the scope of this study. Similarly “company linked” organizations, not part of the company but funded by the company may be engaged in social service (e.g. care of the elderly) or SM (transfer of ideas, concepts, for social change). These are also not part of this study.

4.40. The focus of this study is on the voluntary sector and on those organizations that are engaged in socio-economic development activities and not in social service. Therefore, these NGOs may also be referred to as NGSDOs (Non Governmental Social Development Organizations). Figure 2 follows.
Categories of Non-Governmental Organizations

Scope

4.41. NGOs may be classified based on three broad criteria –

Size – This is defined by the number of full-time staff employed by the NGO, as well as the number of branch offices both in the home and foreign countries. Some NGOs such as Greenpeace, Oxfam and the Red Cross may be categorized as multinationals, since they have a large worldwide presence with offices in several countries, apart from multiple branches in the home country. They also employ a huge number of paid, full-time staff. At the other end of the spectrum are the small, one-man or two-man show NGOS, which have a limited presence and are run almost entirely with voluntary or part-time staff. The NGOs selected for the sample of this study comprise a cross section of large, medium and small NGOS in the two Southern states.

Scope of activities – This refers to the number and types of activities that the NGO is primarily engaged in. Some NGOs may be involved in social service, while others may be doing social marketing; some may be focused on a single issue or activity, such as education or environmental protection, while others may be engaged in a broad range of activities such as AIDS awareness, women’s empowerment and promotion of micro credit. The NGOs in
our sample are those who are engaged in social marketing and involved in a broad range of activities.

Geographic scope – Some NGOs may tackle issues on a global level (e.g. Greenpeace takes on issues from global to local), some may deal only with country or region specific issues (e.g. an Irish NGO is primarily involved with human rights issues in East Timor), while others may restrict themselves only to local level issues (e.g. promoting rain water harvesting in a particular village). The geographic scope of the NGOs in our sample is restricted to country and region specific, as well as local issues.

**Concluding Remarks on Chapter I**

4.42. Enormous resources required for tackling socio-economic problems have afforded scope for NGOs to play an important role by mobilising resources and establishing close contact with communities. Application of commercial marketing practices with suitable adaptation has led to high effectiveness in other countries. Survey shows that there has not been enough study of the various aspects of this important sector in India. As a basis for this study the assumptions regarding social marketing effectiveness were stated in the form of hypotheses applying the SEM model. The study is focused on NGOs in two progressive states of India engaged in social marketing activities requiring sustained behavioural changes. An extensive review of available literature was conducted to understand the special characteristics of NGOs and the unique features of social marketing, which form the subject of the next chapter.

**References**


