Social marketing - a concept of marketing management

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The recent changes in our environment have forced many companies, currently active on the market, to redefine the purpose of their activities, strategies and mission statements. The process of globalisation has increased greatly in the last decades. This is the result of liberalisation of trade, development of technology and involvement in global activities by international corporations. The importance of consumer and ecological organizations, protection of human and animal rights have also significantly increased. All this strongly impacts not only legal regulations but also consumers’ knowledge and their sensitivity. Some parts of modern society have become increasingly aware of the necessity to counter the negative consequences of globalisation of economies and damage to the environment: increased pollution, migration of “dirty businesses” from rich to poorer countries. One of the consequences of globalisation is the increase in ethnocentrism (Vilčeková 2014). The development in modern media has revolutionised methods of communication and the flow of business information between companies and organisations. The global growth of companies and their activities caused not only the increase of market potential but also increased competition. This strengthening of competitiveness is also the result of increased social responsibilities of companies (Mazurkiewicz and Pizlo 2006, p. 16). There is no single definition of social marketing in relevant literature. It changes with time and specific circumstances. The only thing that can be said about social marketing that it is a concept of marketing and a tool for change. The difference in social marketing depends on target groups, marketing programs and the degree of change in consumers together with their appropriate responses to it (Hall 2014, p. 21). The aim of this article is to diagnose sources, areas of concentration and the action taken by the companies using social marketing.

1 Social marketing - a source of inspiration

The main forces that have inspired companies into undertaking socially responsible actions are social movements and consumer organizations that helped to establish the consumer rights. One of the main aims of consumer organizations is currently to ensure better access to information (thus reducing businesses monopoly on information) and the increase of strength in the market by consumers. Consumerism is: “an organized effort by individuals and government agencies to promote and increase the legal rights and consumer power to counter companies” (Kotler 1994, p. 154-155). It is also a movement that on one side influences supply, distribution and promotion of consumer goods (on the level of mass consumption) and on the other side it gives information needed by consumers (on the level of individual consumption). Consumer movement is a consequence of increased awareness of consumers and their critical rating of modern marketing actions. Consumerism shows the existing contradictions between consumer needs; represented on one side in short and long term (table 1) and on the other contradictions that are created between the needs of individuals and society (Mazurek-Łopacińska 1997, p. 27). At present there are three
main forces that can make companies act as “responsible businesses”.
The first force will be international initiatives that try to increase actions to protect the natural environment (from the second half of 1970). Discussions on as international forum were undertaken on the subject of “Human Environment” (UN Conference) where human rights to a healthy environment were clarified. These subjects were continued in the 1990 (UN Conference - “Earth Summit” Rio de Janeiro). At this conference three basic documents were adopted: “Rio Declaration” that encompasses rights and duties of countries for the protection and development of the natural environment, “Agenda 21 Program” that aims at implementing a long term strategy of a balanced development and also “Framework Convention on Climate Change”. In 1993 “the fifth program of actions in the field of environmental protection” was announced. In this document European Union expressed its conviction that companies and businesses should actively take part in solving environmental problems. In 2002 the Earth Summit in Johannesburg adopted a “Declaration on Sustainable Development”.
The second force changing companies’ attitude to their role in society is “the pressure of civic organizations”. These social movements have grown from four main social movements to protect (Rok 2004, p. 9-10): human rights, consumer rights, animal rights and the environment. These organizations have started to evolve towards one social movement expressing the same values and concerns about respecting rights of all living beings.
The third force are “ethical principles” that have been created by business organisations. The social responsibility of an organisation is understood to be responsibility towards:
• General social welfare: counteracting socially pathological behaviour, increasing safety of citizens, improving public education and health services as part of the organisations’ operation.
• Care for the natural environment.
• Shareholders and involved agents: these are mainly consumers, employees, workers unions and also local governments, inhabitants of region and state institutions, competitors, suppliers and creditors. The social responsibility of organisations is to anybody who has invested resources (time and capital) in a certain organisation and is interested in its functioning.

2 The core of social marketing

Literature on the subject interprets the concept of a socially responsible business in many different ways, however, practice shows that organisations demonstrating social responsibilities are benefiting economically from their effects and impact on the social and natural environment. Social business responsibility means on one side fulfilling all legal obligations, on the other side it also means fulfilling social expectations arising above legal obligations (Ratajczak and Stawicka 2013, p. 72-74). Literature on the subject points out that the idea of sustainable development encompasses the idea of social responsibility. The embodiment of the idea of sustainable development is the concept of sustainable marketing defined as a form of social marketing (Promoting a European framework for corporate social responsibility 2001, p. 4).
The term “sustainable marketing” is defined as: “marketing which is socially run to respect the natural environment, that meets the current needs of consumers and companies but preserves at the same time or even improves the capacity of the next generations to meet their needs in the future” (Armstrong and Kotler 2012, p. 709-711). The concept of social marketing is based on (Kotler 1994, p. 26): “identifying needs, desires and interests of the target markets and satisfying them more effectively and efficiently than the competition while maintaining, preserving and nurturing high standards of living for their customers in the long term”. Social marketing is a “philosophy” in the functioning of a company, where the company’s aim is to balance the three aspects of marketing policies - the well-being of people (society), attaining profits by the company and fulfilling the wishes of customers (Kotler and Armstrong and Saunders and Wong 2002, p. 53-54). The implementation of social marketing is required by the organization which aims in the long term to fulfil the needs of
customers, although some of the actions undertaken within social marketing can be achieved by fulfilling individual needs (table 1). Some of the companies define their mission (aim) as the consequence of adhering to liberal ideas: “in free economy there is one and only one obligation (of a company) towards society that is connected to its business – use resources and engage in activities that aim to increase profits, if that remains within the rules of the game; i.e. if there is an open and free competition, without cheating and fraud” (Friedman 1962, p. 133). Other organizations focus on relationships between business partners, the environment, they broadly understood; social and natural environment. The responsible business in a wider sense means one that has: “a strategic and long term approach, based on the principle of a social dialogue and the search for solutions beneficial to all”. In its narrow definition “social marketing is a concept covering a wide range of issues: from the relationship with employees through the commitment to development of local communities, and to ethical standards” (Rok 2004, p. 18).

Table 1: The place of social marketing in the operations of the marketing organizations: time-line/individual, social needs pursued through marketing organizations
Source: authors

Organizations with social “sensitivity” carry out their marketing activities taking into account the current and long term needs of their customers. In conclusion, in the literature of the subject, social marketing is treated as a tool of influence on behaviors, utilizing a systematic planning process that applies marketing principles and techniques, focusing on priority target audience segments and delivering benefits for individuals and society in general (Lee and Kotler 2016, p. 12).

3 Companies’ involvement in the community

The literature points out that there are different levels of social involvement for an organization. From social engagement, to social reactions and social responsibilities, to resistance. “The resistance of an organization” to social responsibilities is a characteristic reaction of organizations that deny responsibility for their actions or hide uncomfortable or compromising facts from public view. These organizations often have a negative attitude to socially important problems. A different approach would be to treat their own responsibility in a category of “social duties”. In this case the organization is ready to do only what is legally required (note [1]). The management of such an organisation is convinced that their only aim is to achieve financial results, and their duty is to fulfil obligations placed on them by society only if these are legal requirements. “A social reaction” organisation is one that analyses not only legal but also ethical implications of its actions.

Figure 1: Degrees of social responsibility
These organisations agree to cooperate in social actions only when there is a direct request for assistance. Such organisations “with social reactions” show a passive attitude. “Social input” is a way of interaction of an organisation that is in the highest degree engaged in social matters. These organisations look for their own place in social community “taking into their hearts arguments for more social responsibility” (Griffin 1996, p. 153).

The degree of social responsibility is also defined from the point of view of involvement of the company in the community. The reason for which the company is acting for the community is of lesser importance. The first level of involvement is defined as undertaking obligatory actions (Rok 2004, p. 48) (taking into account the lack of illegal actions) that are the usual actions undertaken in the ordinary course of conducting economic activity. Therefore these actions cannot be included in actions undertaken as social marketing or as social responsibility of the company. The only connection to social politics of a certain company could be a decision relating to location of headquarters, which means choosing the place to pay charges such as land tax, business tax, road tax.

The second level of social involvement of a company could be some commercial undertaking in the social environment. Amongst other things these include promoting the company’s image: improving, strengthening the image of the organisation through actions such as sponsoring (sports events, cultural events, educational goals). Another level of social involvement of the company are investments made for the benefit of the community. These types of actions are being implemented “in cooperation with representatives of the community and for solving specific social problems that have been chosen and accepted by the company’s management as essential for supporting long-term business and improving its standing in the community”. One part of these actions is the implementation of an employee involvement program (employees often coming from local community). The highest degree of involvement is recognised as charitable activities that are a response to appeals and requests of non-governmental organisations and individuals. Different forms of organisation formulate varied aims of social actions. And so in a non-profit organisation attention is drawn to significant social problems e.g. drink driving. While companies implement social goals depending on specific goals that are related to the business sector in which they operate.

Table 2: Social marketing goals versus different types of organisations

<table>
<thead>
<tr>
<th>Type of organisation</th>
<th>Social marketing goals</th>
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<tbody>
<tr>
<td>Social organisations (non-profit organisations)</td>
<td>To draw the attention of a community to the essence of the problem, which is general in nature, affect a significant part of the community and at the same time has a negative impact on the community to raise awareness of this problem and willingness to participate in actions for the public good.</td>
</tr>
<tr>
<td>Commercial business organisations</td>
<td>To achieve strategic objectives through incorporation of social marketing as a part of the overall strategy adopted.</td>
</tr>
<tr>
<td>Commercial organisations, media (business organisations)</td>
<td>To strengthen credibility (of media and broadcast) as entity representing the interests of the community (i.e. workers, listeners, viewers, internet users) in relation with institutions and organisations.</td>
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Source: authors

4 Social marketing versus corporate social responsibility

The idea of social marketing came from corporate social responsibility. Modern society (post-industrial, knowledge-based) needs an organisation that is socially responsible. To be such an organisation means (from a transaction or relationship perspective) one to induce a particular response to society’s needs. However: “influences exerted on society, the economy, local community
and individuals that are not by themselves part of organisation or its goals, should be minimised, or even better, eliminated” (Drucker 2002, p. 90). The scope of influence of every organisation defines its responsibility and that: “falls on the management, not because it concerns social affairs, but because it relates to the company’s business” (Drucker 2002, p. 91). The social responsibility of an organisation could also be understood as a certain “set of commitments to protect and strengthen the community in which the company operates” (Anderson 1986, p. 22-27). Today, in the emerging information-based economy, corporate responsibility is the sum of responsibilities taken on by the individual employees (Drucker 1999, p. 92-93). In such an organisation the number of “employees” is reduced in favour of increasing the number of “cooperating employees”. A responsible business is referred to as one of effective management strategies that are achieved through enterprises such as: “conducting social dialogue at a local level (…) to increase the competitiveness of enterprises at global levels and at the same time shape favourable conditions for social and economic development” (Rok 2004, p. 17). In determining the limits of social responsibility of companies it should be noted that management is responsible primarily for the company and it serves the needs of the company (Drucker 2002, p. 97-98). The correct operation of the organisation to fulfil its mission is also in the interests of a given community in which the organisation functions. When the organisation squanders its resources, society on the whole loses. A failing business cannot create new jobs and will not develop new opportunities for employees, it will also not pay more taxes to the local government. If an organisation ignores economic constraints and takes on social responsibilities exceeding its capabilities it will fall into trouble.

Summary

Modern marketing assumes on the one hand that enterprises adjust in an optimal way to the changing environment, and on the other hand influence the market. The growing expectations of better educated and richer consumers make it necessary to implement marketing strategies that consider the interests not only of individuals but also local communities and society as a whole. In social marketing particular attention is given to the taking of actions consistent with the idea of social and corporate responsibility and the idea of sustainable development. Every company using social marketing should focus on three areas: implementing its business objectives, creating value for customers and bringing benefits to society. Range of activities that provide benefits for society is becoming broader, and it concerns the protection of environment, health prevention, healthy lifestyle of people, as well as support the implementation of the objectives of non-profits organisations. Activities in the area of social marketing are the answer to society’s expectations, hence it should be expected that in the future they will become an inherent element of marketing of any company. However, these activities will be source of increasing costs for enterprises, which will have to handle with this issue in the future.

Poznámky/Notes


Literatúra/List of References

Klúčové slová/Key Words

corporate social responsibility (CSR), theory of marketing, management
spoločenská zodpovednosť podniku, marketingová teória, manažment

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Résumé

Sociálny marketing – koncept marketingového manažmentu

Moderný marketing predpokladá, že sa podniky na jednej strane optimálnym spôsobom prispôsobia meniacemu sa prostrediu a na strane druhej ovplyvnia trh. Rastúce očakávania vzdelanejších a
bohatších spotrebiteľov vyvolávajú nutnosť implementácie marketingových stratégií zohľadňujúcich záujmy nielen jednotlivcov, ale aj miestnych komúní a spoločnosti ako celku. V sociálnom marketingu sa zvláštna pozornosť venuje prijímaniu opatrení, ktoré sú v súlade s ideou o spoločenskej a firemnej zodpovednosti a s myšlienkom o trvalo udržateľnom rozvoji. Firmy aplikujúce sociálny marketing by sa mali zamierať na tri oblasti: implementáciu svojich cieľov, vytváranie hodnoty pre zákazníkov a prínos pre spoločnosť. Rozsah činností prinášajúci výhody pre spoločnosť je stále širší a týka sa ochrany životného prostredia, prevencie ochrany zdravia, zdravého životného štýlu ľudí ako aj podpory realizácie cieľov neziskových organizácií. Aktivity v oblasti sociálneho marketingu sú odpovedou na očakávania spoločnosti, a preto je potrebné počítať s tým, že v budúcnosti sa stanú neodmysliteľnou súčasťou marketingu každej firmy. Avšak tieto aktivity budú zdrojom rastúcich nákladov pre podniky, ktoré sa budú musieť týmto problémom v budúcnosti zaoberať.

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