Chapter 7 Marketing in Social Ventures

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ABSTRACT

This chapter focuses on the role of marketing in social ventures. The unique marketing challenges that social enterprises face including the various criticisms for marketing in the social venture context will be identified and; suggestions as to how these challenges could be dealt with are provided. Consideration will also be given to Strategic Marketing Planning with a discussion of how social ventures can carry out marketing audits through the utilization of key analytical tools which facilitate the mapping out of the strategic direction and collaborative or competitive strategies for social ventures. Attention will also be given to the development and implementation of segmentation, positioning, communications and fundraising strategies that will promote efficiency and innovation which will enable social ventures to leverage scarce public and philanthropic resources.

INTRODUCTION

This chapter is informed by the obscurity of the boundaries between the government, non-profit and business sectors which has brought about a search for more innovative, cost effective and sustainable ways to address social problems and deliver goods and services that are socially valued, such as healthcare and education (Dees & Anderson, 2003; Pope, Isely & Asamoa-Tutu, 2009; Runté, Basil & Deshpande, 2009). Social ventures are therefore expanding their presence through crafting integrated and compelling marketing strategies such as serving neglected labour and customer markets (Andreasen & Kotler, 2008; Pope, Isely & Asamoa-Tutu, 2009; Levine & Zahradnik, 2012; Worth, 2014).

Marketing has evolved and has as much relevance for social ventures as other forms of organisations. It is now widely accepted that marketing has much to offer to different categories of organisations, given that its focus has evolved to sensitively serving the needs of society (Sargeant, 2005; Pope, Isely & Asamoa-Tutu, 2009; Levine & Zahradnik, 2012). In establishing social ventures, organisations can serve a social purpose by targeting a particularly disadvantaged market in a way that not only benefits

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individuals in that market, but also benefits society as a whole (Dee and Anderson, 2003). Commercial marketing and non-commercial marketing are similar in many regards but also have essential distinctions which depend on the type, mission and goal of the social venture (Zietlow, 2001; Wymer, 2004; Worth 2014). Social venture marketing is distinct in its own right as it is not always practical to adopt commercial marketing practices when advocating for change in behaviour and /or attitudes (Peattie & Peattie, 2003). According to Sargeant (2005), as much as there are techniques that are common to both, the ethos that drives the application can be different. He further asserts that the conceptualisation and application of the underlying marketing philosophy that should guide the organisation's approach to its market differs with the category of organisation. It has therefore become necessary for social ventures to incorporate the use of various marketing principles and techniques so as to influence a target audience to "voluntarily accept, reject, modify or abandon a behavior for the benefit of individuals, groups or society as whole" (Sargeant, 2005; SIES College of Management Studies, 2006; Pope, Isely & Asamoa-Tutu, 2009; Worth, 2014).

Marketing social venture products and services to the different categories of customers (volunteers, beneficiaries and donors), therefore requires the identification of innovative and strategic ways and avenues to market them (Bulla & Starr- Glass, 2004; Pope, Isely & Asamoa-Tutu, 2009; Runté, Basil & Deshpande, 2009; Worth, 2014).

After studying this chapter, the reader should be able to:

- 1. Understand the role of marketing in social enterprises;
- Understand the complexities of marketing in a social venture context and identify the unique marketing challenges faced by social ventures and; the strategies that they can employ to overcome these hurdles;
- Understand different marketing strategies that can be used by social ventures and put forward effective techniques for social venture marketing; and
- Understand how commercial marketing principles are relevant and applied to marketing in social ventures, and develop a marketing mix for social venture products or services based on the 7Ps of marketing.

DEFINING MARKETING

Marketing is both a concept and a function. At a conceptual level, marketing represents a philosophy or approach to management that places the customer right at the centre of everything that an organisation does. At a functional level, it may be regarded as that part of the organisation that gathers research, helps design new services, prices and distributes them and ultimately provides them to the customer (Sargeant, 2005). Kotler and Keller (2007) states that:

"marketing is the analysis, planning, implementation and control of carefully formulated programs designed to bring about the voluntary exchanges of values with target markets for the purpose of achieving organisational objectives. It relies heavily on designing the organisation's offerings in terms of the target market's needs and desires and using effective pricing, communication and distribution to inform, motivate and service the markets" (p. 5).

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