

PN-ABC-605

61200 A.B.



SOCIAL MARKETING: ITS NATURE, SCOPE, TASKS AND RELATIONSHIPS

A Background Paper Prepared

for

U. S. AID/PPC/PDPR

under

Contract No. PDC-0092-i-02-4045-00

Work Order No. (02):

SOCIAL MARKETING AND DEVELOPMENT

November 1984

SOCIAL MARKETING: ITS NATURE, SCOPE, TASKS AND RELATIONSHIPS

by

ADEL I. EL-ANSARY

**Professor and Chairman of Business Administration
School of Government and Business Administration**

**The George Washington University
Washington, D.C. 20052
(202) 676-4852**

November 5, 1984

The George Washington University does not bear responsibility for the contents of this paper. The opinions expressed and concepts articulated in this paper are the author's.

TABLE OF CONTENTS

NATURE OF SOCIAL MARKETING	1
THE OBJECTIVE AND SCOPE OF SOCIAL MARKETING	2
THE ROLE OF MARKET SEGMENTATION IN SOCIAL MARKETING	6
UNDERSTANDING CONSUMER/BUYER BEHAVIOR	9
SOCIAL MARKETING RESEARCH	17
FOCUS GROUPS IN SOCIAL MARKETING RESEARCH	20
CONSUMER AND INSTITUTIONAL PANELS IN SOCIAL MARKETING RESEARCH ...	27
THE SOCIAL MARKETING MIX: PRODUCT AND PACKAGING OPTIONS	29
THE SOCIAL MARKETING MIX: PRICING STRATEGY AND DECISIONS	34
THE SOCIAL MARKETING MIX: SOCIAL MARKETING CHANNELS STRATEGY AND MANAGEMENT	41
THE SOCIAL MARKETING MIX: COMMUNICATION/PROMOTION STRATEGY AND DECISIONS	45
CAN AND SHOULD SOCIAL MARKETING PROGRAMS BREAK EVEN?	50
CONCLUSION: TRAINING SKILLS IMPLICATIONS OF SHIFTING TO A SOCIAL MARKETING APPROACH	53
BIBLIOGRAPHY	55

THE NATURE OF SOCIAL MARKETING

Social marketing has been defined as "the design, implementation, and control of programs seeking to increase the acceptability of social ideas or causes among a target group(s). It utilizes concepts of market segmentation, consumer research, concept development, communication, facilitation, incentives, and exchange theory to maximize target group responses."

(Kotler 1982, p. 49.) Social marketing has been alternatively coined as "social cause marketing," "idea marketing," or "public issue marketing."

Endemic to social marketing is the Social Marketing Concept. The basic tenets of the social marketing concept are:

1. The objective of social marketing is to create and facilitate mutually beneficial exchanges of an offering designed to match the needs and wants of target audiences and constituents.
2. Social marketing is a technical-managerial and social-behavioral process involving many participants including individual and group decision makers, decision influencers, buyers, users or adopters.
3. Social marketing is not merely advertising or communication. It is a much broader process involving:
(a) conducting market research to identify target audience needs and wants, (b) segmenting target audiences according to systematic criteria,

(c) designing offering to match target segment needs and wants, (d) pricing the offer at levels affordable to the target market, (e) communicating the offer to the target market, and (f) making it accessible to target segments through private and public channels of distribution.

4. Social marketing programs must be effective and equitable in the short run and efficient in the long run to warrant resource investments and allocation.

The objective of this paper is to; (a) explain and elaborate on the objective of social marketing, (b) discuss the role of market segmentation in social marketing, (c) examine the use of marketing research in developing social marketing programs, (d) present concepts of social marketing mix planning relating to product/offering design and packaging, pricing, advertising and promotion, and distribution through private and public channels, and (e) explore the training skills implications of the social marketing approach.

THE OBJECTIVE AND SCOPE OF SOCIAL MARKETING

An appropriate characteristic by which one discipline can be distinguished from others is the discipline's philosophy and approach in problem solving. Marketing's distinctive approach to problem solving is to create and facilitate mutually beneficial exchanges of values, e.g., products, services, ideas, designed to match the needs and wants of target audiences and constituents. Indeed, marketing is a process by which individuals and

groups in a free-market, free-choice society obtain what they want through the creation and exchange of such products and values. Perhaps one of the definitions of the objectives of social marketing is that of establishing mutually beneficial exchange relationships. These relationships can be between buyers and sellers, governments and their constituents, the public sector and private sector, to name a few parties.

It is useful at this point to indicate that from the customer's perspective a product is anything that can be offered to satisfy a need. Generically it includes physical objects, services, persons, places, organizations and ideas. In short, it can include product and/or information dissemination.

While social marketing has been defined as the marketing of ideas and social causes, the reader must be cautioned that social marketing is more inclusive and generalizable than marketing! Informations underlie all goods and services but the converse is not necessarily true. When designing promotional campaigns, marketers must rely on information to market tangible products and intangible services, e.g., looking sexy and 24-hour banking. Information is required in the design of social marketing campaigns, but products are not necessarily needed.

In the context of developing countries, marketing a new product such as birth control pills or ORT requires the marketing of information about topics, for instance, family planning and family health. Indeed, the marketing of an idea or information is a prerequisite to the marketing of the product or must be accomplished jointly. Consumers must

have sufficient information to want to buy the product. Simply put, marketing birth control pills for the affluent in developed countries is marketing, but marketing the same birth control pill to isolated and marginally informed couples in the interests of slowing population growth in a developing country is social marketing.

Perhaps one of the best examples to illustrate the range and scope of social marketing is the account of its concepts with specific reference to contraceptive social marketing (CSM) elaborated by Greenberg, Novelli, Curtin, and Mallamad (1983, pp. 3-5).

1. Marketing is a managerial process. It requires skilled persons to analyze, plan, implement and control the marketing organization and its actions. Management training through on-site technical assistance, conferences, training programs and written materials have long been part of CSM.
2. Marketing does not consist of random or "seat-of-the-pants" trials and errors. It seeks to achieve market response through carefully formulated actions. For example, a CSM program would not make up a series of commercials on the basis of intuitive views about what consumers want to hear. Rather, the concepts which underlie the messages and the messages themselves would be pretested and then later evaluation would be conducted to further assess audience response.
3. The key to marketing is the process of exchange between an organization and its "customers" or target audience members.
 - A woman may exchange money for a cycle of oral contraceptives.
 - A retailer exchanges valuable counter space for an attractive CSM display unit.
 - A physician exchanges time and effort for knowledge and skills in IUD insertion.The exchange must be studied, so that the CSM manager can facilitate and improve this exchange process.
4. A distinguishing feature of marketing is its attention to target markets. A CSM program's offerings will not be equally attractive, or equally in demand, to all consumers. It is necessary to divide up or "segment"

consumers by attributes, such as benefits sought, risk of pregnancy, or predisposition to contraceptives.

5. Marketing has a definite organizational purpose. For a business sector organization, this objective may be profit maximization. For a CSM program, objectives may require a balance of:

sales maximization - to increase contraceptive usage as widely as possible.

market penetration - to reach lower levels of socio-economic strata.

revenue enhancement - to increase revenues for possible self-sufficiency of operations.

6. Effective marketing designs the organization's products (sometimes called offerings) in terms of the target market's needs, desires and expectations. It is necessary to consider the "customers," or target markets first, in order to offer products which can be of value to them. This can apply to the method of contraception offered, and also to packaging and name, usage instructions and display as other promotion materials for retailers.

7. Marketing utilizes what is termed the "marketing mix." The set of tools in this mix are product design, pricing, communication and distribution.

- Product design - includes performance characteristics (e.g., low dose orals, size of condom) and perception characteristics (e.g., taste, color, package design).

- Pricing - practically speaking, price setting (and price changing) strategies are usually tied to cost, demand levels and competition. In addition to monetary price, target markets may also have to expend time and effort, and perhaps pay a "psychic" price (e.g., the embarrassment of a woman asking for condoms in a pharmacy or a man purchasing a cycle of oral pills).

- Communication - CSM programs can choose from many channels to promote their programs and products, including advertising (e.g., radio, TV, cinema, newspapers) publicity/public relations (e.g., talk shows, new programs, articles in magazines), personal contact (e.g., rallies, village demonstrations, physician training) and promotion (retail materials, calendars, T-shirts, boat sails).

- Distribution - the channels by which products flow to the marketplace (e.g., commercial wholesalers, CSM employees, other "middlemen") and the place at which they are offered (e.g., physician's office, pharmacies, kiosks) are essential elements of distribution planning and administration.

In summary, social marketing involves the design, implementation, and control of marketing programs to enhance the acceptability of ideas by well-defined target markets in the achievement of a socially desirable outcome. An essential element in the process is market segmentation as will be discussed in the following section.

THE ROLE OF MARKET SEGMENTATION IN SOCIAL MARKETING

Market segmentation consists of dividing a heterogeneous market or audience into a number of smaller, more homogeneous submarkets or audience groups. The idea behind market segmentation is for the marketer to select one, few or several meaningful segments and design alternative marketing programs to meet and satisfy the needs of each of the selected segments. Targeting the marketing effort to each distinct market segment means a more precise program satisfying specific market needs resulting in more effective allocation and efficient deployment of marketing budgets.

Social marketing programs involve heterogeneous target markets, constituents, or audiences. For example, in contraceptive social marketing programs, religious, political, and community leaders influence the individuals or family's decision to adopt the family planning concept. Therefore, the social marketer is confronted by the following target segments, each in need of a marketing program specifically designed to meet the needs of the particular segment.

1. The Influencers: (a) religious leaders, (b) political leaders, (c) community leaders, and (d) face-to-face groups with which the deciders interact including older members of the extended family.
2. The Decision Makers: (a) the husband, (b) the wife,

- (c) the husband and wife jointly, (d) the physician, and (e) the pharmacist.
3. The Buyers: (a) male-users, (b) male-nonusers, (c) female-users, and (d) female-nonusers.
 4. The Users: (a) husband, (b) wife, or (c) both concurrently or alternately.

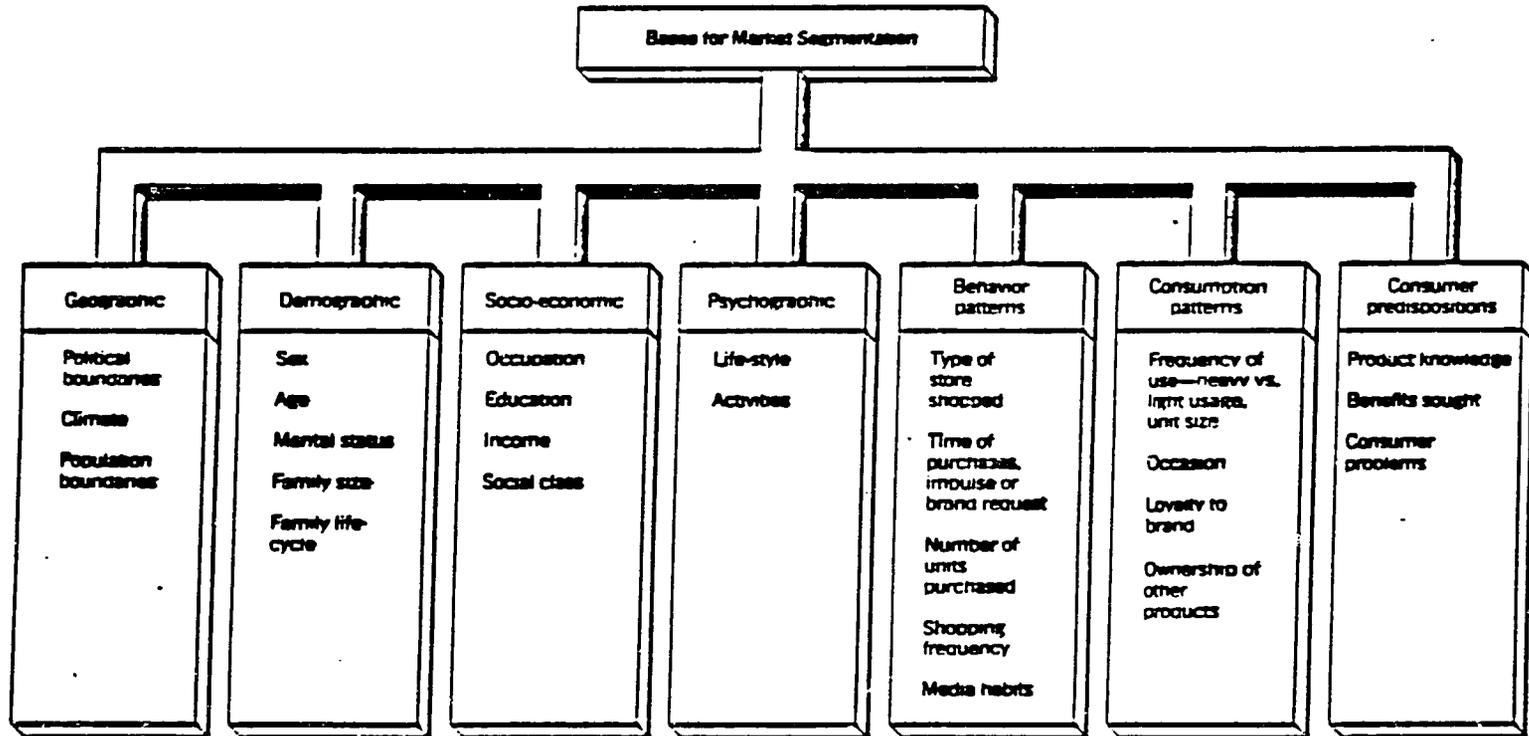
In addition to this primary segmentation of social market target audiences as influencers, decision makers, buyers, and users/adopters, there is a need for secondary segmentation using: (a) geographic, (b) demographic, (c) social-economic, (d) psychographic, (e) behavior patterns, (f) consumption patterns, and/or (g) consumer predispositions bases as illustrated in Exhibit 1. An effective segmentation program must ensure that:

1. The segmentation base or criterion selected is appropriate for the particular objective.
2. Those within a given segment demonstrate relatively homogeneous behavior.
3. Individuals belonging to different segments are likely to react differently to one or more social marketing mix instrument.
4. The number of segments formed is such that it is economically feasible to reach the most important target groups.
5. Segments be sufficiently large and reachable so as to warrant a special social marketing program.

A prerequisite for effective segmentation strategy is, therefore, the selection of a criterion or criteria most likely to account for differ-

EXHIBIT 1.

Typical Bases for Market Segmentation



Source: Adapted from Jack Z. Sissors, "What is a Market?" *Journal of Marketing*, July 1966, p. 21; Philip Kotler, *Principles of Marketing* (Englewood Cliffs, N.J.: Prentice-Hall, 1980), p. 297; Rom Markin, *Marketing: Strategy in Management* (New York: John Wiley & Sons, 1982), p. 103.

(Reprinted from William Zikmund and Micheal D'Amico, Marketing, New York: John Wiley and Sons, 1984, p. 104)

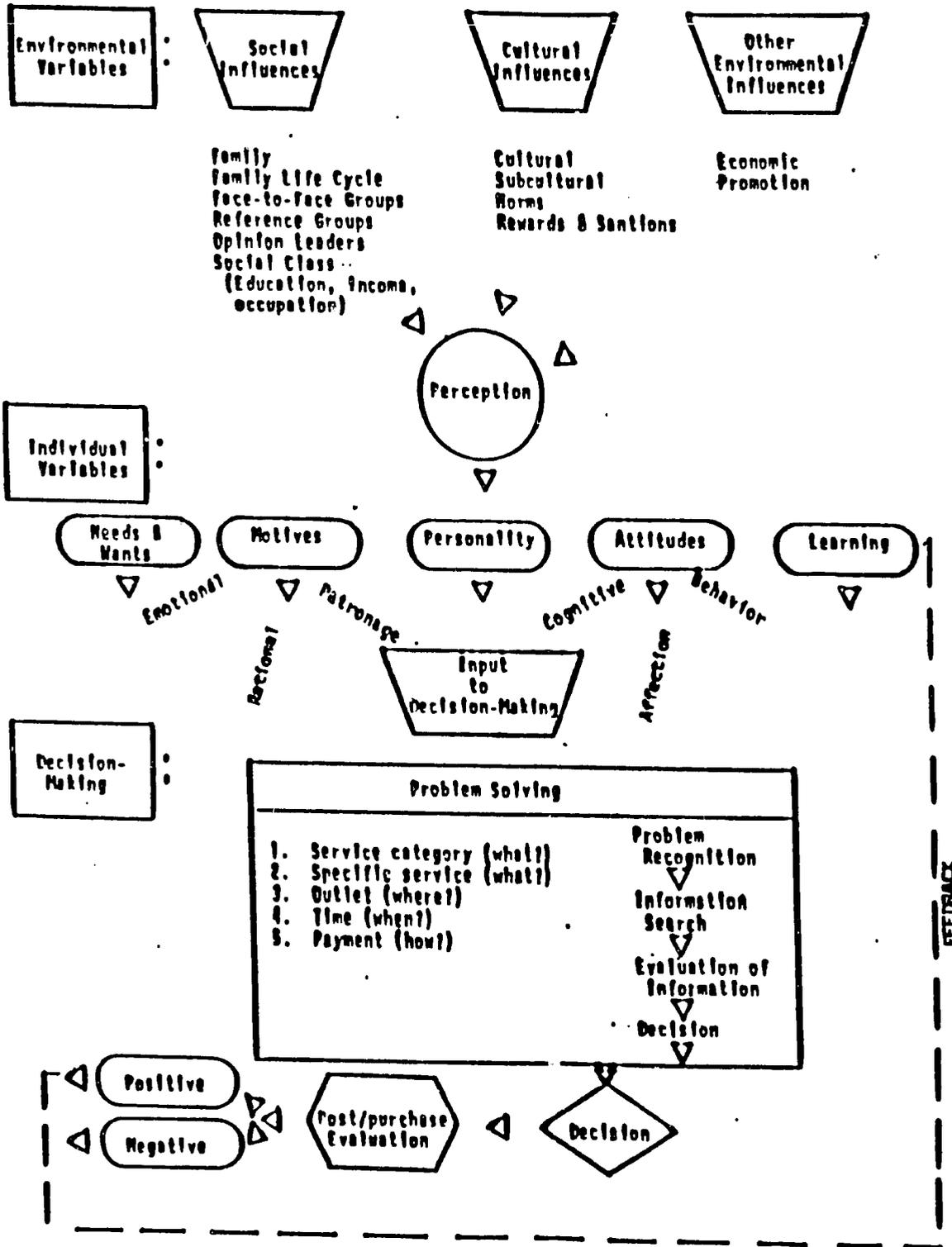
ential responses to a social marketing mix. While geographic, demographic, and social-economic criteria have been suggested as useful criteria in the general marketing literature, behavioristic or psychographic criteria seem to be most appropriate for social market segmentation. Past experience in social marketing programs suggests that the variations in perceptions, learning and cognitive styles, personalities, and attitudes among the different target audiences and interest groups must be accounted for and addressed through customized social marketing mix programs before social change can take place. Therefore, effective segmentation strategy requires an understanding of the perceptual, personality, attitudinal, and motivational patterns underlying the behavior of a target market segment. Such understanding is developed through the study of consumer/buyer behavior.

UNDERSTANDING BUYER/CONSUMER BEHAVIOR

The adoption of new practices or forms of behavior is akin to the process of forming values, attitudes, beliefs, interests, opinions and viewpoints about the issue. Therefore, the social marketer must understand the variables affecting the processes involved in decision making leading to the adoption or modification of existing attitudes and beliefs about ideas and causes.

A consumer or buyer behavior model, such as the one illustrated in Exhibit 2, provides the framework for understanding why and how consumers and buyers make decisions to buy products, subscribe to services, or adopt causes. A consumer behavior model illustrates the environmental, e.g., geographic, demographic, social-economic variables, individual, e.g.,

EXHIBIT 2. CONSUMER BEHAVIOR MODEL



psychographic or behavioral variables, and their interactions as determinants of consumer/buyer decision making.

A cursory examination of the consumer behavior leads one to conclude that environmental influences originate from existing institutions in the society. These institutions impose a variety of norms and enforce them through a system of rewards and sanctions. These norms are parameters that may facilitate or impede the adoption of the social cause. Therefore, the social marketer must become cognizant of the institutions and their social and cultural map in order to navigate social change.

Further examination of the consumer behavior reveals the centrality of the concept of perception. The target group senses and interprets its external environment. It may perceive that a problem exists, but that perception of the problem may vary.

Perception stems from the individual's own preferences and objectives. The social marketer must understand the learning and perceptual capacities of the target audience in order to be able to effectively communicate with each group. Marketing research techniques such as focus group interviews are used to obtain insights into the target audience perceptions, beliefs, and reactions in different situations.

Probably one of the best illustrations of the role of perception in consumer decision making relates to pricing. From a consumer standpoint the price extends beyond money. In social marketing there is an intangible and symbolic price that the consumer pays. For example, different views or practices may alienate his/her peers who subscribe to an opposition group. Eventually, the individual may be ostracized from that group, a

serious social consequence carrying a high psychological price tag. Therefore, social marketers must be cognizant of the target audience perception of the social price, its components, and what it means to them.

Needs, wants, motives and personality are closely related behavioral variables. Personality is a set of characteristics determining the unique way in which the person reacts to his/her environment. Personality characteristics of relevance to social marketing include sociability, self-acceptance, tolerance, introvertism, liberalism, and dogmatism.

Everett Rogers provides an interesting personality classification of great use to social marketers. Rogers labeled personality types according to how readily individuals adopt innovations. Innovators are the ones who quickly adopt a new idea or buy a new product, while early adopters, early majority, late majority, and laggards are the ones who buy or adopt at progressively later periods. When contrasted with laggards, innovators were found to be more open-minded, better-educated, younger, enjoy higher socioeconomic status, and are better integrated into the fabric of society. Given these descriptions of innovators, social marketers in the developing countries can safely assume that the majority of their client base are most likely laggards.

At this juncture it is interesting to note that most social marketer types themselves are more likely than not innovators. Therefore, their innovator-type personality comes into direct clash with a laggard-type client base. The credibility of ideas and social causes emanate from

their sources. In social marketing programming, therefore, it is essential to communicate through carefully selected intermediaries to enhance the credibility of the source and acceptability of the message. Volunteers, social workers, and other change agents must be chosen carefully from among the very few innovators and early adopters within the client group. Therefore, social marketers have no choice but to undertake the following tasks in order to design meaningful social marketing communication channels:

1. Identify innovators, early adopters, early majority, late majority, and laggards.
2. Specify their demographic and behavioral characteristics.
3. Identify the source of information they rely upon.
4. Identify their preferences with respect to the topic.
5. Find out whether the innovators and early adopters are likely to encourage others.
6. Determine the influence of innovators and early adopters over early and late majority.

The failure of many social objectives stems from the difficulty of changing target audience attitudes and preferences. While much information may be available through a variety of communication channels, and while some target audiences may even be interested, a change in the target audiences' behavior seems to elude many social marketers. Why?

Attitudes are composed of: (a) cognitions, i.e., knowledge of and sources of information about the idea, (b) affections, i.e., expressions of liking or disliking of the social controversy and approaches to its resolution, and (c) behavior, i.e., believing or not believing in the idea

or subscribing or not subscribing to it. In the most part, it seems that social marketers measure attitudes as an aggregate phenomenon which provides them with false and misleading measurements, measuring only affective components by asking about liking or disliking, or just making what they consider safe assumptions about the attitudes of the target audiences. Subsequently, the lack of understanding of target audience attitudes and their underlying rational and emotional motives deals a devastating blow to social marketing efforts.

The above analysis of the components of attitudes underscores the importance of understanding and differentiating the different types of social marketing aiming at inducing favorable attitude changes to enhance the welfare of the consumer or user. Using the topology of attitudes Kotler identified four types of social marketing (Kotler 1982, pp. 500-506).

Cognitive Change: There are many social causes which have the limited objective of creating a cognitive change in the target audience. They are called public information or public education campaigns. Many examples can be cited:

- campaigns to explain the nutritional value of different foods
- campaigns to explain the work of the United Nations
- campaigns to expand awareness of Medicare and Medicaid benefits
- campaigns to bring attention to pressing social problems, such as poverty, bigotry, or pollution

Cognitive change causes would seem to be fairly easy to market effectively in that they do not seek to change any deep-rooted attitudes or behavior. Their aim is primarily to create awareness or knowledge.

Action Change: Another class of causes are those attempting to induce a maximum number of persons to take a specific action during a given period. Many examples can be cited:

- campaigns to attract people to show up for a mass immunization campaign
- campaigns to attract eligible people to sign up for Medicaid

- campaigns to influence the greatest number of voters to approve a school bond issue
- campaigns to attract women over 40 to take annual cancer detection tests
- campaigns to attract student dropouts back to school
- campaigns to attract blood donors

Action causes are somewhat harder to market than cognitive change causes. The target market has to comprehend something and take a specific action based on it. Action involves a cost to the actors. Even if their attitude toward the action is favorable, their carrying it out may be impeded by such factors as distance, time, expense, or plain inertia. For this reason, the marketer has to arrange factors that make it easy for target persons to carry out the action.

Behavioral Change: Another class of social causes aims to induce or help people change some aspect of their behavior for the sake of their well-being. Behavioral change causes include:

- efforts to discourage cigarette smoking
- efforts to discourage the use of hard drugs
- efforts to discourage excessive consumption of alcohol
- efforts to help overweight people change their food habits

behavioral change is harder to achieve than cognitive or one-shot action changes. People must unlearn old habits, learn new habits, and freeze the new pattern of behavior.

Value Change: The final class of causes attempts to alter deeply felt beliefs or values that a target group holds toward some object or situation. Examples include:

- efforts to alter people's ideas about abortion
- efforts to alter people's ideas about the number of children they should have
- efforts to change the values of bigoted people
- efforts to socialize peasants into a factory work ethic

Efforts to change deeply held values are among the most difficult causes to market. People's sense of identity and well-being are rooted in their basic values. Their basic values orient their social, moral and intellectual perceptions and choices.

The environmental and behavioral variables discussed in the context of the consumer behavior model serve as inputs into consumer decision making.

The process of consumer decision making is a process involving problem solving. The consumer/adopter must recognize a problem or a need in the first place. Then the individual proceeds to an information search leading to formation and evaluation of alternatives that culminate in a decision to buy or not to buy a product or adopt a new idea. A social marketing program must be designed to aid consumers in problem solving.

In summary, designing and implementing effective social marketing mix programs requires the answer to some key questions relating to the consumer, consumer behavior, and market segmentation.

1. Who are the participants or constituents of the idea, social cause, product, etc.?
2. What are their perceptions of the problem and their approaches to dealing with the problem?
3. Is there room for reconciliation of any variations of the various constituents' perception of the problem and approaches to dealing with it?
4. What are their personality, motivational and attitudinal patterns?
5. What are the appropriate segmentation criteria?
6. Are individuals belonging to a different segment likely to react differently to different marketing stimuli?

7. What are the resources and policies of these constituents that may be brought to bear on the problem?
8. What is the potential impact of these resources and policies? Will they impede or support pragmatic effort, or is it a neutral factor?
9. When do resource and policy shifts occur and what is their impact on the problem?
10. Can a social marketing program be designed and implemented to bring about effective, equitable, and efficient solution(s) to the problem?

The answer to these and other questions can be secured through social marketing research.

SOCIAL MARKETING RESEARCH

Social marketing research is any planned and organized effort to gather, analyze, and report information relevant to a given social objective in order to formulate social marketing strategies and make informed decisions that may lead to effective, equitable, and efficient solution of the problem.

Social marketing research provides useful data for: (a) analysis; (b) planning; (c) developing, testing and refining plan elements; (d) implementation; and (e) assessing effectiveness of social marketing programs.

The use of marketing research at each of these stages is summarized in Exhibit 3 and the process of marketing research is summarized in Exhibit 4.

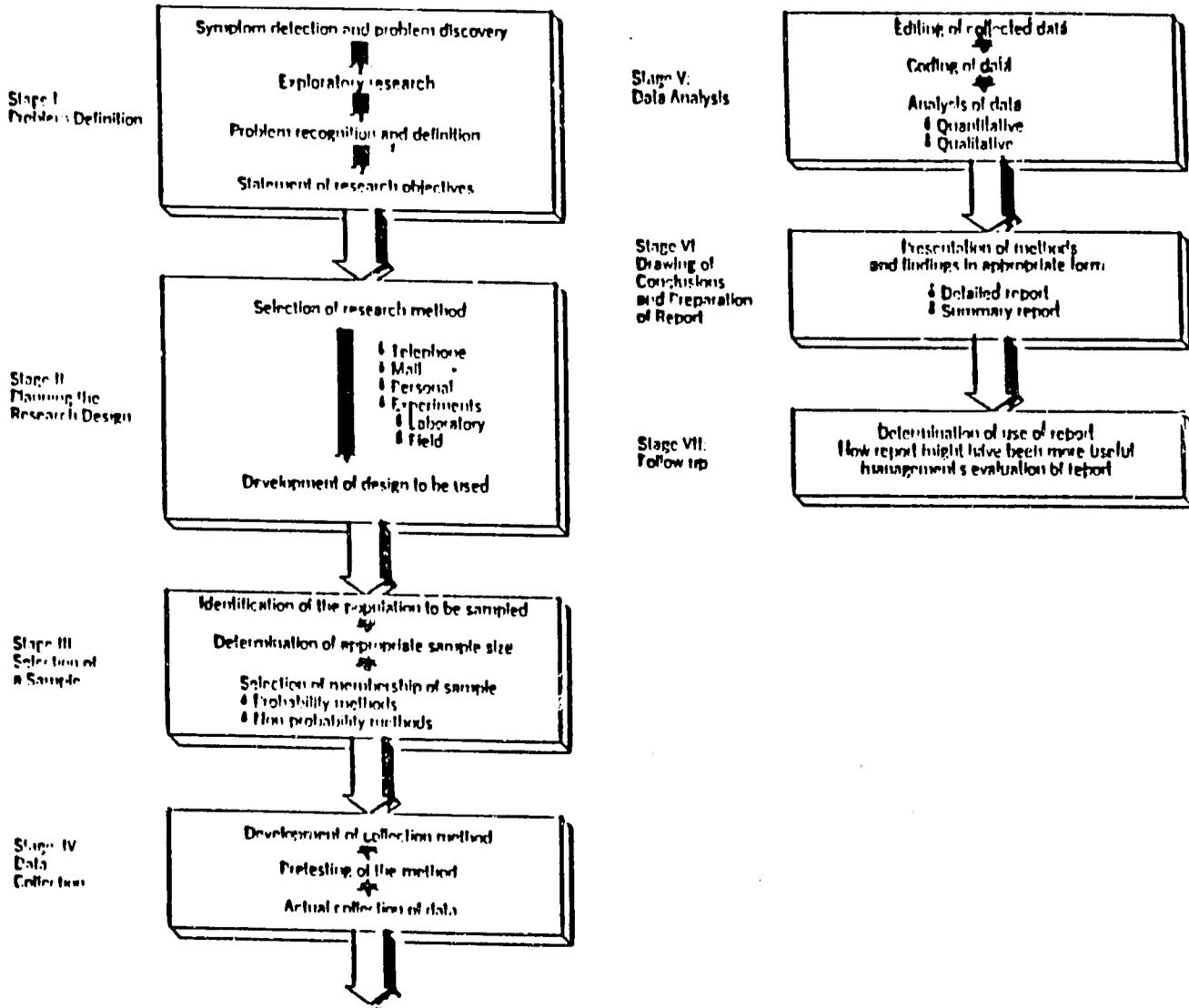
EXHIBIT 3. MARKETING RESEARCH APPLICATIONS AT DIFFERENT STAGES OF THE SOCIAL MARKETING PROGRAM

STAGES	APPLICATION
I. Analysis	<ul style="list-style-type: none">• Market Analysis: demand forecasting, geographic scope, distribution and sales outlets, and local resources needed to support the marketing effort.• Consumer Analysis: Demographic, geographic, psychographic attributes, consumer response, life style and personality, benefits, user status, usage rate, loyalty, readiness stage, and media patterns.• Institutional Analysis: senior staff perceptions of organizational objectives, channels of communication and accountability, responsibilities of senior staff and departments, allocation of internal resources and budgets, system for monitoring organizational performance, perceived problems or obstacles to the organization's attainment of its goals, and external resources available to the organization.
II. Planning	<ul style="list-style-type: none">• Setting marketing program objectives• Market target segmentation• Social marketing mix strategies: product, price, distribution, and communication mass media and interpersonal channels.
III. Development, Testing, and Refinement of Plan <ol style="list-style-type: none">1. Pretesting Concepts2. Prototype Evaluation3. Full test market4. Regional Distribution	<ul style="list-style-type: none">• Product concept tests• Name tests• Logo tests• Package tests• Instructional inserts• Point-of-purchase outlet preference• Consumer response to alternative prices• Communication concept and message testing
IV. Implementation	<ul style="list-style-type: none">• Monitoring products• Monitoring prices• Monitoring channels• Monitoring media and messages
V. Asses In-Market-Effectiveness	<ul style="list-style-type: none">• Consumer response• Retailer response• Tracking studies to measure awareness, recognition, recall, reaction and perceptions• Sales, market share, sales-to-expense ratios, and profitability by product, territory, geographic unit, market segment, trade channel, and size of order.

SOURCE: Based on Rachel Greenberg, William Novelli, Leslie Curtin, and Sharyn Mallamad, A Model for Market Research in Contraceptive Social Marketing. A report prepared for the International Contraceptive Social Marketing Project, The Futures Group, Washington, D.C. 1983, pp. 5-27.

EXHIBIT 4

The Marketing Research Process



Source: William Zikmund and Michael D'Amico, Marketing, New York: John Wiley and Sons, 1984, p. 136.

There are two basic sources of social marketing research information: primary sources, i.e., data collected for the specific study underway, and secondary sources, i.e., data already available from previous studies or compiled as part of an on-going data base.

Secondary data can be obtained from government agencies, voluntary and professional organizations, professional journals, and private companies. The use of secondary research in a contraceptive social marketing program is summarized in Exhibit 5.

Primary research can be classified as qualitative or quantitative research. The general characteristics and techniques associated with both are summarized in Exhibit 6. As noted in the Exhibit, some of the techniques lie in the middle ground between qualitative and quantitative. These are labeled as semi-quantitative techniques.

Qualitative research is particularly useful at the exploratory stage of social marketing programs as demonstrated in Exhibit 7. Focus group research is a particularly effective and efficient qualitative social marketing research technique. Similarly, consumer and institutional panels are emerging as popular semi-quantitative social marketing research techniques.

FOCUS GROUP SOCIAL MARKETING RESEARCH (*)

Focus group interviews are used to obtain insights into people's perceptions, beliefs, and language. Group inter-

(*) This section is reprinted in its entirety from: Greenburg, Novelli, Curtin, and Mallamad, A Model for Market Research in Contraceptive Social Marketing, Washington, D.C. 1983. pp. 37-41.

EXHIBIT 5. USES OF SECONDARY RESEARCH IN SOCIAL MARKETING

Secondary research is especially useful during Stage 1 Analysis when program planners are conducting their market, consumer and institutional analyses.

Secondary research can provide background on a country, identify the present situation and serve as a basis for projections and trends. Hence, the integration of information from various secondary sources can provide an initial or a general background framework from which target markets can be better defined and approached.

Secondary research information can provide direction for additional primary research efforts. For instance, the planners for PROFAM conducted a review of 52 previous studies on family planning in Mexico prior to designing additional research to help launch an information campaign (PIACT de Mexico, February 1979).

Some sources may help in the actual planning of primary research such as, providing information for choosing which areas would provide the most productive field work. Based on the PROFAM review, it was decided to focus the consumer oriented marketing research on middle and lower class urban and suburban couples in the 18-35 year old range.

Published sources may supply information that will fill in answers or provide the reasons "why" certain trends or patterns have been found. Such findings can thus enhance the value of any primary research because it can be shown within the context of the whole picture that is presented.

Statistical series published on a regular basis, such as census data on fertility rates, can give benchmarks to measure the progress of a family planning program.

Source: Based on Greenberg, Novelli, Curtin, and Mallamad, A Model for Market Research in Contraceptive Social Marketing, Washington, D.C. 1983, pp. 30-31.

EXHIBIT 6. QUALITATIVE VERSUS QUANTITATIVE METHODS

General Characteristics

- | <u>Qualitative</u> | <u>Quantitative</u> |
|---------------------------------------|--|
| o Small sample | o Large sample |
| o Not representative or generalizable | o Usually representative and generalizable |
| o Exploratory | o Measured estimation |
| o Relatively inexpensive | o Usually expensive |
| o Quick turnaround | o Slow turnaround, need more lead time |

Techniques

- | <u>Qualitative Interviews</u> | <u>Quantitative Surveys</u> |
|-------------------------------|-----------------------------|
| o Focus groups | o Personal |
| o Individual in-depth | o Mail |
| | o Telephone |

Semi-Quantitative

- o Central location intercept interviews
- o Panel studies
- o Field test

Source: Greenberg, Novelli, Curtin, and Mallamad, A Model for Market Research in Contraceptive Social Marketing, Washington, D.C.: The Futures Group, 1983, p. 35.

EXHIBIT 7. USES OF QUALITATIVE RESEARCH IN SOCIAL MARKETING

- o General understanding — to get a "feel" for how consumers talk about contraceptives, or family planning, and how they judge and evaluate this subject.
 - o Hypothesis formulation — to explore a subject area so that well-defined hypotheses, or questions for further study, are generated. For example, to develop a hypothesis concerning whether "newly weds" should be a priority target market for CSM programs.
 - o Questionnaire design — to help identify variables or attributes to be examined in a quantitative study and to get an idea of consumer language so that relevant question wordings can be correctly developed. For example, "How do consumers describe the side effects of foaming tablets?"
 - o Complex issues — If the product, service, or concept is new or complicated, qualitative methods offer opportunities to demonstrate capabilities and has the advantage of high respondent involvement.
 - o Embarrassing or personal topics — one-on-one personal interviews, in particular, offer a degree of confidentiality and intimacy for difficult topics.
 - o Impressions of new product concepts — to assess consumer reactions to current products in comparison to new products, to test which packaging is best, to determine whether new package instructions are understood, etc.
 - o Impressions of creative concepts, headlines, and copy — to gauge target audience reactions to and comprehension of ideas at an early stage; also can be used to generate new ideas.
 - o Interpret previously obtained quantitative results — to find out "reasons why" target audiences think, feel and behave as reported in a quantitative survey that cannot probe these issues in depth.
-

Source: Greenberg, Novelli, Curtin and Mallamad, A Model for Marketing Research in Contraceptive Social Marketing, Washington, D.C.: The Futures Group, 1983, pp. 34-35.

views provide insight about how consumers think and feel about contraception and the various methods available, how they use different methods, the reasons why they select certain methods or brands, the language they use to describe products and their purchasing behaviors. Product and message concept testing is effectively carried out using this market research method.

Focus group interviews are conducted with a group of about 8-10 respondents simultaneously and usually last about 1½ hours. Respondents are generally paid a stipend to insure their attendance at the session.

Using a discussion outline, a moderator starts off the discussion covering overall attitudes and behavior and eventually focuses on the specific topic at hand. The moderator keeps the session on track while allowing respondents to talk freely and spontaneously. As new topics related to the outline emerge, the moderator probes further to gain useful insights. This discussion and probing can uncover the type of "below the surface" information that a large, more structured and impersonal quantitative study fails to explore. In this type of research, consumer reactions can be more thoroughly understood and explained.

As with all research, focus group respondents should be typical of the intended target audience. Various subgroups within the target audience should be represented so that a range of opinions can be heard. For example, in testing product or message concepts about IUDs aimed at a general audience of women, a cross section of individuals -- women with and without children, older and younger women -- should be recruited for the focus groups. If a particular subgroup is of special interest (e.g., women aged 25-34, ex-users), entire groups can be recruited based on the relevant characteristic. Besides the consumer, groups also can be conducted to explore the attitudes of selected persons who have an impact on a family planning program -- physicians, pharmacists, midwives, and health clinic operators.

Respondents are recruited 1 to 2 weeks in advance of the interview sessions. They may be recruited "at random" (i.e., from a central location) and interviewed to determine if they qualify for the group. Or, they may be recruited from a group of individuals representative of the target population (e.g., clinic users).

There are several important criteria for conducting effective group interviews. Respondents should not know the specific subject of the sessions in advance, and they should not know each other. Knowing the subject may result in respondents carefully formulating ideas in advance and thus not talking

spontaneously about the topic during the session. Knowing other respondents may inhibit individuals from talking freely. Finally, all respondents should be "newcomers" to focus group interviews. This allows for more spontaneity in reactions and eliminates the problems of "professional" respondents who may lead or monopolize the discussion.

It is desirable, especially when pretesting on sensitive or emotional subjects, to segregate respondents by age, sex, race, socio-economic status, or whatever other variable is likely to hinder freedom of expression. For example, because of differences in attitudes toward contraceptive use, it may be best to separate users from non-users.

There is no set rule on the number of focus groups that should be conducted. The number of groups inevitably depends upon program needs and resources. If target audience perceptions appear to be comparable from one group to the next, two to four focus groups should suffice. If perceptions vary, and the direction is unclear, additional groups may be necessary. Likewise, if particular subgroups are important, at least two focus groups per subgroup are usually considered a minimum.

An experienced, capable moderator, who can skillfully handle the group process, should be used. The moderator must be well-informed on the subject and the purpose of the group in advance. A good moderator builds rapport and trust and should probe respondents without reacting to and thereby influencing their opinions. The moderator must be able to lead the discussion, rather than be led by the group. A good moderator keeps the discussion on track while talking as little as possible and makes it clear that he or she is not an expert on the subject.

In the planning stages of a CSM program, focus groups can be used to develop the hypotheses (or broad research issue) for larger quantitative studies. These interviews are extremely helpful when little is known about a new product category. Focus groups can help determine public perceptions, misconceptions, and attitudes before a questionnaire is developed and the field research is conducted. The areas of research can be probed in focus groups to help generate ideas and develop hypotheses which are then fully assessed in the large quantitative study. For example, focus groups were conducted as a first step in the research design for PROFAM in Mexico to gather further insights into the depth of knowledge about contraception and attitudes about its usage. This information was then used in designing the questionnaire for a quantitative study consisting of over 2,000 personal interviews (PIACT de Mexico, 1979).

Group interviews are especially useful as a tool in the concept development stage of the communication process to examine spontaneous reactions to specific topics and often are used as input for creative development (concepts, strategy, creative executions). They provide insights into target audience beliefs about contraceptive methods, allow program planners to obtain perceptions of message concepts and help trigger the creative thinking of communication professionals. The group discussion stimulates respondents to talk freely, providing valuable clues for developing promotional materials in the consumer's own language.

In Egypt, focus groups were conducted to test reactions to several advertising concepts for Amaan vaginal foaming tablets and Tops condoms. Respondents were recruited from pharmacies and central gathering places (coffee houses, bazaars, and health centers) in Cairo and the surrounding suburbs. Respondents represented both men and women, literates and illiterates, and individuals who were married and between the ages of 18-40. They were also selected on the basis of usage/non-usage of various contraceptive methods. In the group sessions, these people were shown storyboards representing commercial executions and various print ads. The moderator probed for reactions to the various materials that were presented (Family of the Future and Porter, Novelli & Associates, 1981).

As noted earlier, the results of focus group interviews should be interpreted carefully. It is useful for an unseen observer (behind a one-way mirror) to take notes as well as to tape record the session for later review. In interpreting the findings from group interviews, program planners should look for trends and patterns in target audience perceptions rather than doing just a "he said... she said" kind of analysis.

Focus group interviews provide up-front developmental input only, not a definitive evaluation. Focus group results are not projectable. While they can indicate the range of attitudes that exist, they do not indicate to what extent these attitudes prevail in the general population.

Focus groups indicate group reactions toward various topics; they are not measures of individual reactions. When individual responses or quantitative information are needed, other methods should be utilized. For example, when assessing the final copy for a brochure, or patient package insert, it is more important to gather individual rather than group measures of comprehension, perceptions and intended use.

CONSUMER AND INSTITUTIONAL PANELS IN SOCIAL MARKETING RESEARCH (*)

The purpose of this section is to describe panels as a semi-quantitative technique of social marketing research. The application presented in this description is in a contraceptive social marketing program. It is equally applicable to other areas of social marketing.

Sometimes, it is desirable to measure and analyze changes in the market by studying the behavior of users and retailers over time. Panels are an excellent method of measuring and helping to explain such changes. In a panel, essentially the same individuals serve as respondents over the period of the study. Measures can be taken before and throughout the life of the program.

Individuals selected to serve on the panel may be representative of the general population of childbearing women, or retailers who sell contraceptive devices, or of contraceptive users. Panel members (who are literate) can be asked to keep continuous records (daily or weekly) of their expenditures, types and brands of contraceptives used, and package size purchased. Or panel members may be interviewed in several surveys administered over a period of time.

Consumer panels can be used to examine product use by geographic region, purchasing patterns, satisfaction and dissatisfaction, usage patterns (regular, periodic), experience and response to side effects, etc. More important, panels allow for an analysis of the dynamics of user behavior over time; for example, the number of new contraceptive acceptors, the number of repeat purchasers, and the number who are switching methods or changing from one brand to another.

On a retail level, panels or store audits can be used to measure sales. Like consumer panels, these involve recruiting a sample. Here, it would be a sample of stores or individual store owners who are trained to provide information on product movement within the stores. Store audits provide information on the amount of shelf space allocated, the

(*) This section is reprinted in its entirety from; Greenberg, Novelli, Curtis, and Mallamad, A Model for Market Research in Contraceptive Social Marketing, Washington, D.C.: The Futures Group, 1983, pp. 59-62.

types, sizes, and brands of contraceptives sold, the price ranges, and any point-of-purchase sales information. This involves taking an audit of what is available in the store and periodic audits throughout the test period to track changes in sales.

Usually, respondent cooperation is secured through the same techniques used in other research. Introductory letters, personal contacts with well-trained field personnel, and stipends or incentive fees to induce continuous cooperation may be used.

Panels are subject to several potential problems. The most important is the problem of recruiting a representative sample. Since low income populations are less likely to cooperate than middle class respondents, it may be difficult to obtain a group that is characteristic of the target market for CSM programs. Panels also presuppose a certain level of literacy for any requisite recordkeeping.

Another problem is respondent attrition. Panelists may die, move, change their circumstances (e.g., become pregnant) or stop cooperating with the study; these people must be replaced. In addition, participation in a panel may "condition" some respondents regarding behavior and answers. Panel members may subtly alter their behavior or reporting (often unconsciously) to reflect what they think is the correct or desired response. Care and effort is needed to overcome these difficulties in the design and operation of the panel.

Designing a sample plan for a panel and setting up the panel is a detailed and somewhat costly process. It requires setting up a procedure for obtaining the cooperation of certain respondents to fill out the forms on purchase/sales on a continuing basis, and a procedure for replacing these respondents as time goes on. Because the panel is an ongoing study, respondents initially asked to participate may later prove unwilling or unable to give the requisite time to the project. This operation may require a lengthy field trip to maintain the panel in the areas of both continual respondent recruitment and data collection.

Nevertheless, panels are an excellent method because they record actual behavior (sales/purchases) over time within the natural environment. With regular and frequent measurements of the same individuals (or stores) there is an effort to minimize the sampling error that occurs when different groups of respondents are measured over time. Also, once panel members have been recruited, it is less expensive to interview them on a periodic basis than to continually conduct interviews with new respondents over the same time period.

One variation on the consumer panel that can be used in contraceptive social marketing research is the product placement test. Individuals are recruited to serve on a panel and are given a contraceptive product. When the product is placed, the participating respondent may also be shown various promotional and instructional materials for the contraceptive. After the contraceptive is used for a period of time, the respondent is then contacted and asked about his/her satisfaction with the product, interest in continued use, comparisons with other contraceptives, and any other relevant questions.

This type of panel allows for an examination of usage in a natural environment among potential purchasers. It is not a truly "natural" purchase, use, reuse, situation like the other panels discussed above because the respondent was given the product rather than actually buying it. It can, however, provide very useful information for refining marketing strategies related to new product introduction.

In summary, social marketing research plays a central role in providing information needed to define the social cause, target audience segments, and target audience wants and needs, and make decisions regarding the social marketing mix appropriate to these target segments as illustrated in Exhibit 8.

THE SOCIAL MARKETING MIX: PRODUCT AND PRODUCT PACKAGING OPTIONS

A product is anything that can be offered to a market to satisfy a need. It includes physical objects, services, persons, places, organizations, and ideas. Other names for a product would be the offer, value package, or benefit bundle. (Kotler 1982, p. 291.)

The narrow definition of the product focuses on the functional characteristics of what is offered to the consumers. But consumers have a much broader view of the product; they buy a bundle of physical, service, and symbolic attributes, i.e., the total product, as illustrated in Exhibit 9. Consumers view products, ideas, and causes as means of problem solving and communication. People buy products, adopt ideas, and sponsor causes

EXHIBIT 8. THE SOCIAL MARKETING MIX IN CONTEXT

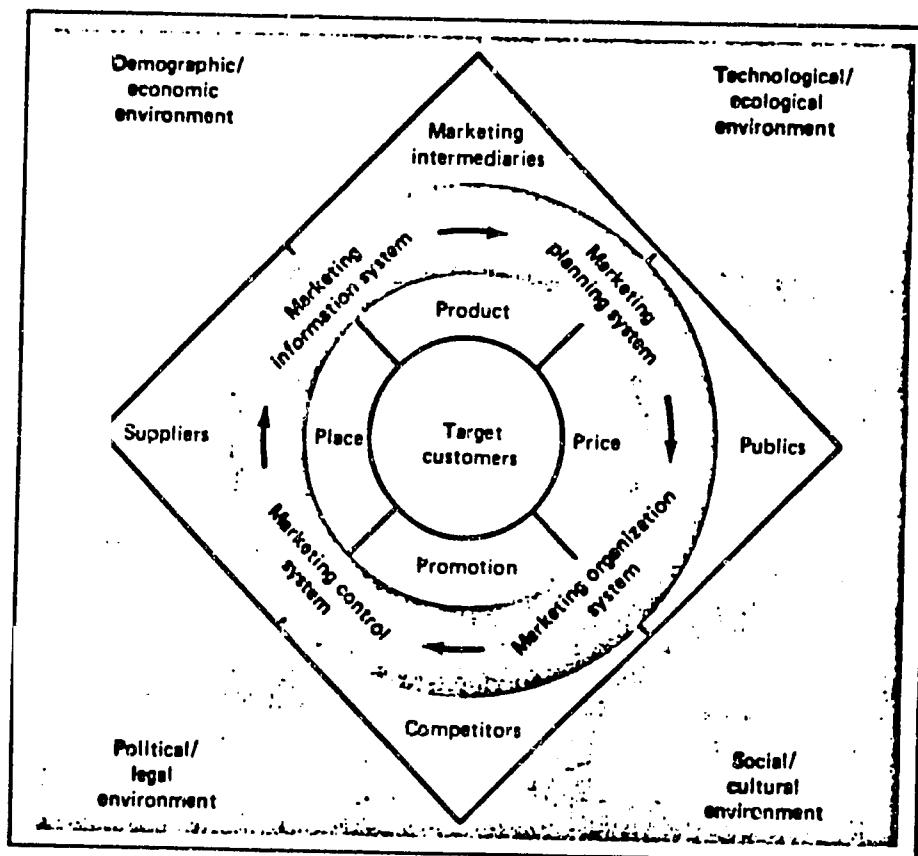
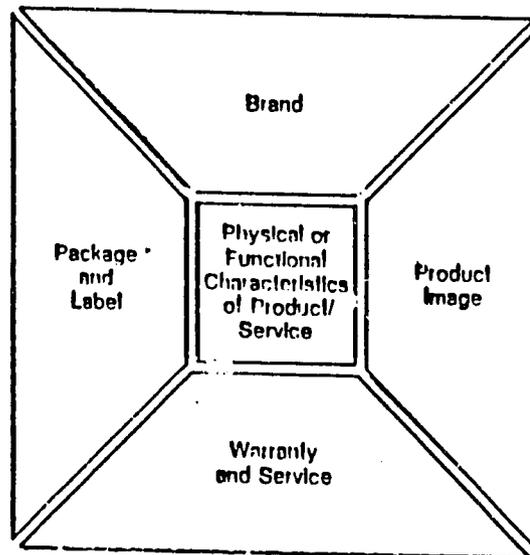


Exhibit 8 summarizes the entire social marketing management process and the forces influencing the setting of social marketing strategy. The target customers are in the center, and the social marketer focuses its efforts on serving and satisfying them. The social marketer develops a mix made up of the factors under its control, the four P's - product, price, place, and promotion. To arrive at its marketing mix, the social marketer manages four systems: a marketing information system (including social marketing research), a marketing planning system, a marketing organization system, and a marketing control system. These systems are interrelated in that marketing research information is needed to develop marketing plans, which in turn are carried out by the marketing organization, the results of which are received and controlled.

Through those systems, the social marketer monitors and adapts to the marketing environment. The social marketer adapts to its microenvironment consisting of marketing intermediaries, suppliers, competitors, and publics. And it adapts to the macroenvironment consisting of demographic/economic forces, political/legal forces, technological/ecological forces, and social/cultural forces. The social marketer takes into account the actors and forces in the marketing environment in developing and positioning its offer to the target market.

Source: Philip Kotler, Marketing Essentials, Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1984, pp. 48-49. Explanatory text modified.

EXHIBIT 9. THE TOTAL PRODUCT CONCEPT



Source: David L. Kurtz and Louis E. Boone, Marketing. Chicago, Ill.: The Dryden Press, 1984, p. 270.

in order to solve felt difficulties and communicate messages to others about their wealth, values, beliefs, and attitudes. Therefore, the social cause must be branded and packaged to ease such intended problem solving and communication by the target constituents.

The product line or product mix offered by a social marketing organization automatically defines the business boundaries of that organization. An illustrative example is the case of product line offering of the Louisiana Family Health Foundation (El-Ansary and Kramer 1973, pp. 5-6).

At the inception of the Louisiana Family Planning Program, the question of "What business are we in?" was examined. The Family Health Foundation defined its business broadly and generically as human services rather than narrowly as family planning. Because the primary market target was under-privileged low-income females, the family planning program was designed to be an integral part of a multitude of human services. The service mix was designed to reach the objective of breaking the illness-ignorance-poverty cycle characteristic of certain socioeconomic strata in the American society.

The service mix included family planning, child care, and parent training programs. The family planning service was designed to include some primary health care services related to family planning, such as pap smear tests. The Foundation is working toward the eventual establishment of a health care delivery model to bring the service to the patient.

The potential contribution of the family planning program to the recipient is to better her future standard of living by putting the number of children in balance with the family income. In the meantime, child care centers are currently planned to provide an opportunity for mental development and better nutrition for the children. While children are cared for in child care centers, the mother can receive training for potential employment. As the mother becomes employed, the family gets off welfare and the preschool children of the now working mother can continue in the child care centers.

It was clear at the foundation's inception that its resources would not support a simultaneous entrance into the three fields of family planning, child care and parent training. However, this did not deter management from defining its business generically. A generic definition enabled management to study the dimensions of the problem and establish priorities. Realizing that specialization to solve only a part of the problem would be myopic, management decided to start with family planning-health care and proceed from there. It was further realized that unless the children were cared for to the mother's satisfaction, job training could not take place. Therefore, child care was the second priority. The human service focus of the program emphasizes (a) the problem of the illness-ignorance-poverty cycle characteristic of the foundation's market segment, (b) related customer needs, (c) program components or service mix elements designed to contribute to the solution of the problem syndrome, and (d) the major goal of each program component from a consumer viewpoint.

The social product or benefit bundle offered must be branded, i.e., given a name, term, sign, symbol and/or design, to identify it and differentiate it from other offerings by competing or collaborating organizations. The high illiteracy rates in developing countries necessitates the use of a combination of brand names, symbols, and signs for buyers to be able to identify the product. Oftentimes, buyers exclusively identify the product by the color of the package and the symbols on it. For example, in the rural areas of Egypt women ask for oral contraceptives by the color of the tablet package. Therefore, the product package serves as means of identification as well as product protection.

Given the high illiteracy rates in developing countries, social marketers cannot rely solely on package information and inserts to communicate product use. On-package information and inserts must be augmented with non-written communication through volunteers, physicians, pharmacists, opinion leaders, and other participants in the social marketing channel.

Also, given a tradition-bound audience, selection of brand names, colors, and symbols must be undertaken with utmost care. For example, black is a death symbol in Egypt and birth control has the connotation of attempting to control one's own destiny, a violation of a fundamental religious rule of the dominance of "God's Will" over human destiny. Therefore, in the contraceptive social marketing program in Egypt slogans such as "Family Planning -- Towards A Better Future," are used in bulletin-board and print advertising and brand names such as "Aman," meaning "safety," are used for foaming tablets. In essence, social marketing requires the cultural sensitivity of a domestic marketer and the sophistication of an international marketer.

THE SOCIAL MARKETING MIX: PRICING STRATEGY AND DECISIONS

Pricing can be defined from the sellers point of view as the exchange value or the actual charge made by an organization when a product or service is exchanged with the consumer. From the customer's point of view, however, Adam Smith's quote is more representative of the real price.

"The real price of everything, what everything really costs to the man who wants to acquire it, is the toil and trouble of acquiring it."

Therefore, in addition to the exchange of value charged by the marketing organization the customer assumes other cost elements including: (a) effort cost, (b) psychic cost, and (c) waiting cost (Philip Kotler 1982, p. 305). These cost factors must be considered in arriving at a price for a socially marketed product. Failure to do so will render the entire social marketing program ineffective in reaching its target market.

The determination of prices for social marketing products is a very complex and difficult task. Considerable self-reflection and analysis are required to select prices that best serve the needs and interests of the target segments and the social marketing organization. Choosing prices that are neither too high, too low, nor too variable requires adherence to a disciplined price-setting process.

Such a process should consist of the following basic steps. (*)

1. Evaluate the price sensitivity of relevant publics.
2. Determine pricing objectives.
3. Evaluate the price sensitivity of target markets.
4. Select a pricing strategy.
5. Choose pricing tactics.
6. Implement the pricing policy.

These steps are basically sequential. Some steps, however, have to be repeated after subsequent steps identify a need for modifications. Furthermore, the whole process should be regularly repeated to ensure that pricing policies do not lose their effectiveness. The following sections examine each of the steps in the price-setting process in a contraceptive social marketing program. The process and related concepts are generalizable to other social marketing programs.

1. Evaluate Price Sensitivity of Relevant Publics

The first consideration in setting prices in a social marketing program is evaluating the price sensitivity of relevant publics. Primary attention should be given to how different pricing policies will be reacted to by government official, community-based distributors, competing commercial firms, the media and other key publics. These publics determine the constraints that exist around pricing policies.

(*) This paragraph and the following detailed discussion of each of the steps in the price-setting process are slightly modified direct quotes from: Determining Pricing Policies in Contraceptive Social Marketing, a report prepared by International Contraceptive Social Marketing Project, The Futures Group, Washington, D.C. 1983, pp. 1-12.

Various publics may institute restrictions on a social marketing program -- or create political pressures for such restrictions -- if they perceive pricing policies as threatening the competitive strength of community-based distributors, commercial firms, or other competitive organizations. Restrictions might also arise because of concern about the effects that product pricing could have on inflationary pressures or on the general health of the country's economy. Many countries already have government price-approval mechanisms which create lengthy delays for price changes. For example, it took several years to have a major price increase for CSM contraceptives approved in Jamaica. Similarly, problems with government approval mechanisms for prices of old contraceptive products were apparently instrumental in encouraging the CSM project in Bangladesh to introduce the totally-new and higher-priced "Panther" condom.

Thus, the social marketing planner should devote considerable effort toward gaining an understanding of issues such as: What role is the social marketing program expected to play in the country's total economic development effort? Do government officials want it to be only a secondary program or would a very large-scale program be welcomed? How do officials feel about private-sector initiatives? What types of anti-inflation programs exist? Will occasional small price changes produce less political repercussions than infrequent large price changes? In general, countries that have high hopes for private-sector initiatives and also can tolerate large price changes, will be places where aggressive pricing policies designed to increase sales can be used. More passive pricing policies will be necessary in countries with opposite characteristics.

2. Determine Pricing Objectives

Once the "boundaries" of acceptable social marketing policies have been identified, the social marketing planner can proceed to set pricing objectives. Certain pricing objectives may have been ruled out because of sensitivities of relevant publics. For example, a pricing objective of "sales maximization" could not be adopted in a country where heavily subsidized pricing would be seen as an attempt by the CSM project to control more of the market than the government wants it to control. In such a situation, more modest pricing objectives will have to be employed.

Pricing objectives set the tone for all pricing policies and actions. Some possible pricing objectives for a social marketing program include:

- Profit maximization - where prices are set with the intent of generating as much profits or surpluses as possible.
- Sales maximization - where prices are set with the intent of generating as much sales as possible.
- Market penetration - where prices are set with the intent of obtaining a particular share of a market (especially for new products).
- Self-sufficiency - where prices are set with the intent of generating enough funds to cover all costs and remove the need for subsidies.
- Breaking even - where prices are set with the intent of generating the funds needed to cover the costs that subsidies will not cover.

In choosing among these objectives, the social marketer will want to weigh several factors such as price sensitivity and the financial resources of the social marketing program.

3. Evaluate Price Sensitivity of Target Markets

Gaining an understanding of the price sensitivity of target markets requires analysis of both the consumers in those markets and the channels of distribution (i.e., distributors, retailers, etc.) that serve them. For example, the CSM planner should seek to understand (1) how consumer demand for contraceptive products varies at different price levels and (2) how the willingness of channel members to stock and promote contraceptive products varies at different margin levels and retail price levels.

The CSM planner needs to answer questions such as:

- What is the ability to pay of consumers in the target market?
- Within the limits of what consumers can afford to pay, do high prices generate more sales than low prices; do consumers perceive higher-priced contraceptives to be higher in quality?

- Are consumers willing to pay higher prices for contraceptives that can be purchased in a less time-consuming or less embarrassing manner?
- How do consumers react to changes in prices?
- Are consumer buying patterns more influenced by changes in price than by changes in communications, packaging, or other marketing tools?
- Do channel members provide better support for high-margin, high-priced contraceptives?
- How do channel members react to changes in margins and prices?

Answers to questions such as these can be obtained by (1) examining previous research and writing on pricing in general and pricing of contraceptives in particular, (2) analyzing historical data, (3) conducting surveys of consumers and channel members, and (4) conducting pricing experiments.

4. Select a Pricing Strategy

Once sufficient information has been obtained about the price sensitivity of target markets, the social marketer can turn to the task of selecting a pricing strategy that will allow achievement of the pricing objectives. The pricing strategy can be viewed as the major "route" or pathway that the social marketing program will follow in the pricing area. It can be distinguished from the project's pricing tactics, which can be viewed as the smaller actions or "steps" that are taken in the pricing area to help move the project along its selected strategic route.

Pricing strategy for a CSM product can be defined by three basic elements:

1. The "positioning" on the retail price attribute that is sought for the CSM product relative to competing products. The CSM product can seek to be a "cheap" alternative, an "in-between" alternative, a "premium-priced" alternative, the "most expensive" alternative, and so forth.
2. The "positioning" on the middleman margin attribute that is sought for the CSM product relative to competing products. The CSM product can seek to be a "slim margin" item, an "average margin" item, a "high margin" item, and so forth.

3. The "reaction stance" the CSM planner adopts in preparation for pricing changes by competitors. The CSM planner can adopt an "inert" stance (where pricing actions will be taken), a "follower" stance (where pricing changes by competitors will be matched), a "fighter" stance (where price changes by competitors will be countered quickly with aggressive actions), a "leader" stance (where the CSM planner will always try to anticipate and beat any price changes by competitors), and so forth.

The best alternatives to adopt for each of these strategy elements will depend on (1) which pricing objectives have been selected, (2) the price sensitivity of target markets, (3) the other marketing tools being used in the CSM project, (4) the forecasted actions of competitors, and (5) several other factors.

5. Choose Pricing Tactics

Pricing tactics can be used to enhance the performance of the basic pricing strategy. Various short-term and/or small actions can be taken in the pricing area which can help to stimulate awareness, interest, desire, trial, or adoption of a CSM contraceptive. A listing of some possible tactics follows:

- ° Odd pricing - where odd numbers are used for the final digits of a price (such as 99 cents).
- ° Special-event pricing - where sales or special occasions are used as a vehicle for lowering prices, at least for a short time period.
- ° Quantity discounts - where price reductions are provided to those who buy in larger volumes.
- ° Trade allowances - where special deals are provided to middlemen in the form of extra amounts of product or lower wholesale prices if certain volumes are bought or other services (e.g., the use of special displays) are performed.

Tactics such as these have been known to have success in various family planning programs. This has especially been the case for incentives designed to encourage more support activities from channel members. However, any pricing tactics that are used should be compatible with the project's pricing objectives and strategies, as well as the tastes and desires of target market members and relevant publics.

6. Implementation

The pricing strategy and tactics have to be implemented in a timely and conscientious manner for them to achieve their desired objectives. The first implementation task is the determination of the exact price and margins to assign to the product. One useful exercise to perform in completing this task is the determination of all direct and indirect costs associated with producing, distributing, and marketing the product. These data can be valuable for assuring that the selected prices and margins are not too low to allow achievement of pricing objectives.

Another implementation task is the communicating of all necessary price and margin information to channel members, salespersons, communications specialists, and so on. Still another implementation task is the monitoring of reactions to prices from relevant publics, competitors, and target markets. This monitoring allows either small corrective actions to be instituted or, if necessary, the whole price-setting process to begin anew.

The discussion of pricing strategy and decisions focuses so far on the micro perspective, i.e., considerations of the individual customer and the social marketing organization. However, attention must be devoted to the macro perspective, i.e., considerations of the society at large and its collective governing institutions. The macro perspective requires consideration of the concepts of social cost and social benefit. Given the importance and complexity of these considerations, they will be discussed under the broad heading of "Can or Should Social Marketing Programs Break Even?" Such topic will be undertaken after we complete the examination of the remaining elements of the social marketing mix, i.e., distribution and communication.

THE SOCIAL MARKETING MIX: SOCIAL MARKETING CHANNELS STRATEGY AND MANAGEMENT

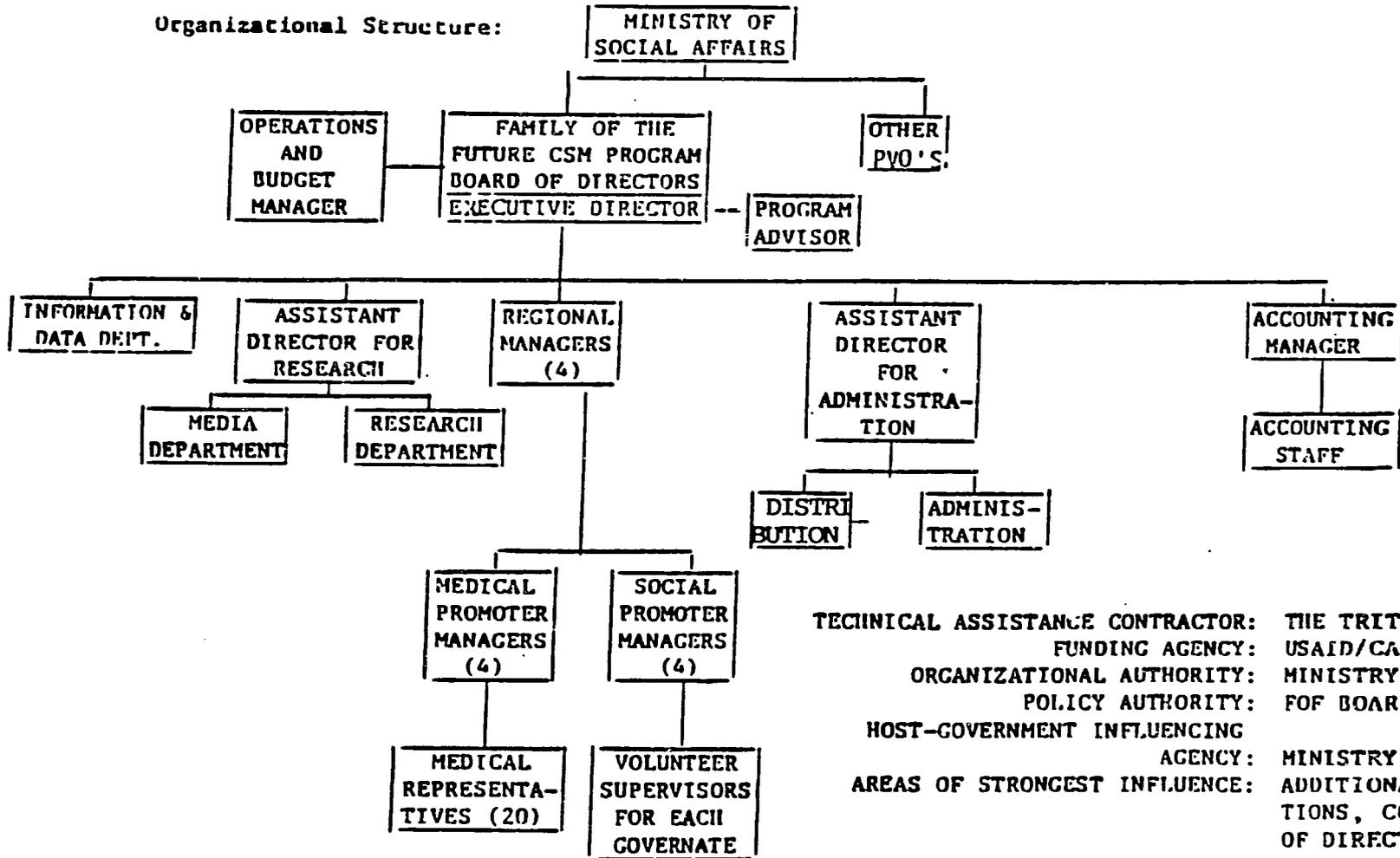
Every organization has to think through how it will make its products and services available and accessible to its target consumers. Marketers call this the place or distribution decision, and it is one of the key decisions in the marketing mix (Kotler 1982, p. 321).

The social marketing channel is the marketing organization through which the product, service, or offering is delivered to the target markets. Social marketing organizations cannot achieve their objectives independently. They rely on a complex network of external organizations in order to deliver desired offerings to targeted markets. For example, despite its elaborate internal organization shown in Exhibit 10, Family of the Future, the leading contraceptive marketer in Egypt, must rely on an extensive network of other external organizations as illustrated in Exhibit 11. Therefore, by definition, social marketing channels are composed of internal and external organizations engaged in the stimulation and delivery of marketing offerings.

The illustration of the marketing channel for the Family of the Future exemplifies the diversity and complexity of the institutional structure. Such diversity and complexity dictate the need for planning, organizing, coordinating, and controlling the effort of the channel participants. In essence, social marketing channels must be managed in order to achieve the collective objectives of their participants. Such coordination and management is referred to as inter-organization management. The purpose of inter-organization management is to mobilize the social marketing system toward the achievement of social marketing performance goals.

EXHIBIT 10. ORGANIZATION STRUCTURE, FAMILY OF THE FUTURE, EGYPT

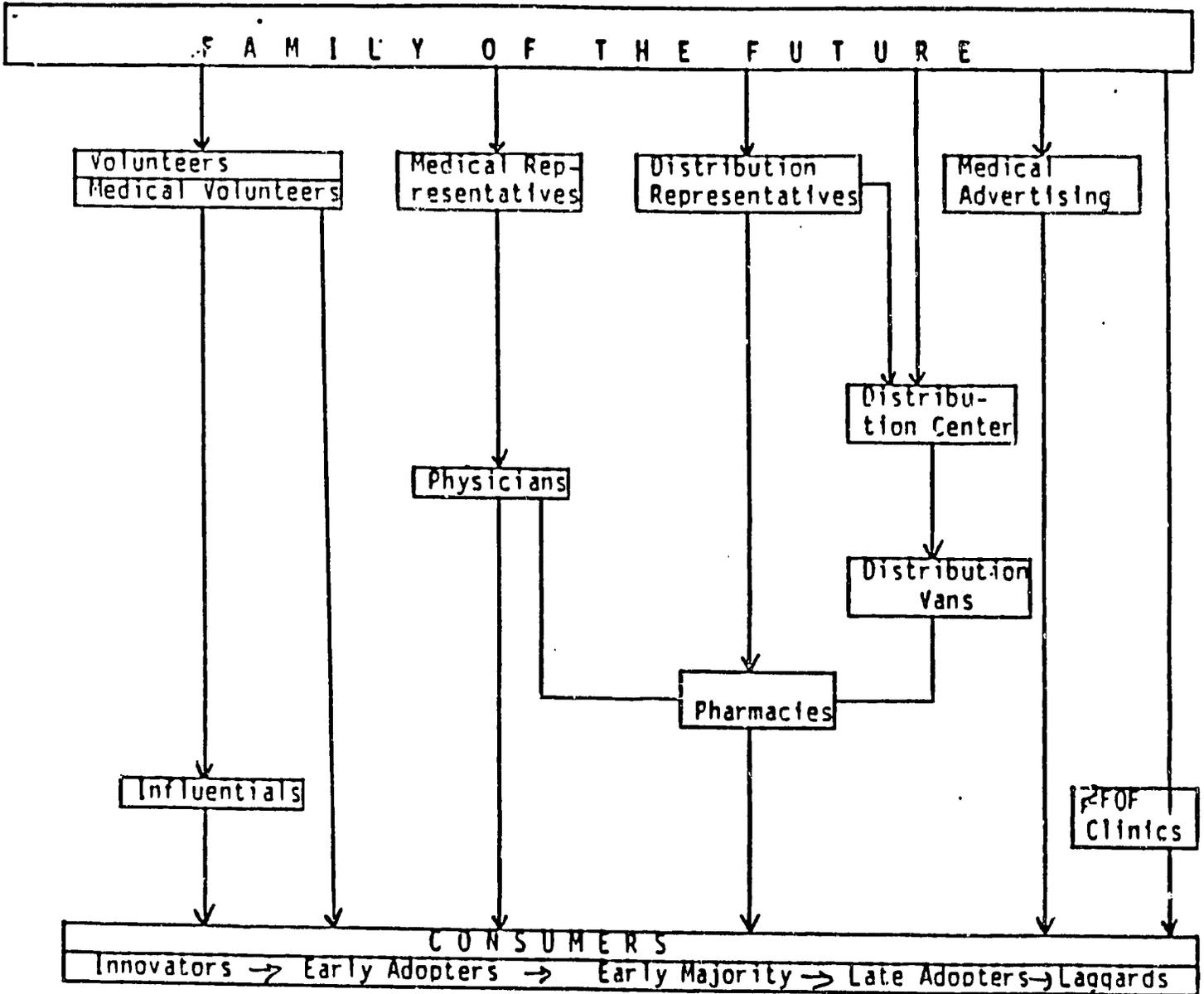
Organizational Structure:



TECHNICAL ASSISTANCE CONTRACTOR: THE TRITON CORPORATION
 FUNDING AGENCY: USAID/CAIRO
 ORGANIZATIONAL AUTHORITY: MINISTRY OF SOCIAL AFFAIRS
 POLICY AUTHORITY: FOF BOARD OF DIRECTORS
 HOST-GOVERNMENT INFLUENCING AGENCY: MINISTRY OF SOCIAL AFFAIRS
 AREAS OF STRONGEST INFLUENCE: ADDITIONAL FUNDING APPLICATIONS, COMPOSITION OF BOARD OF DIRECTORS, PROJECT REPORTING, PRODUCT PRICES AND PRICE INCREASES, GEOGRAPHIC DISTRIBUTION, ADVERTISING CONCEPTS, MARGINS, OUTLET SELECTION

Source: Contraceptive Social Marketing Strategy Workshop, Final Report, International Contraceptive Social Marketing Project, The Futures Group, Washington, D.C. 1983, p. 15.

EXHIBIT 11. FOF DISTRIBUTION SYSTEM



Social marketing channels can be viewed as a set of marketing institutions joining forces to perform marketing functions necessary to reaching target markets. The configuration or structure of social marketing channels is governed by a number of factors including:

1. **The Nature of the Social Marketing Offering.**
For example, if the social marketing program does not involve physical product offering, the social marketing channel will be composed primarily of volunteer organizations, advertising and publicity agencies, and other social marketing institutions.
2. **The Nature and Scope of the Target Markets.**
The social marketer may have to rely on dual or multiple marketing channels to reach different market segments. For example, in an ORT program reaching the physicians may be accomplished through medical representatives, pharmacies through distribution or sales representatives, and heads of households in the rural areas through volunteers. Also, the number, size, and geographic concentration of the customers will determine the number of sales people, volunteers, distribution centers, and retail outlets.
3. **The Availability of and Willingness of Institutions to Participate.** Oftentimes, existing channels are not available or affordable. In some cases, competitive causes and products have preempted existing channels, i.e., existing channels are used to their fullest capacity. In others, existing channels are unaffordable because of their high operating cost.
4. **The Ability of the Social Marketer to Control the Social Marketing Program.** The goals of the social marketing program cannot be achieved unless the quality of its products, offering and message is assured. Also, prices must be controlled. Social marketers must select channels whereby they are able to guide and coordinate the actions of other participants.

The above factors represent criteria that must clearly guide the design of the social marketing channel. These criteria include target market reach, target market coverage, availability, cost and control.

THE SOCIAL MARKETING MIX: COMMUNICATION/PROMOTION STRATEGY AND DECISIONS

In a broad sense, all elements of the social marketing mix, i.e., product, price, promotion and distribution, are communication tools. Messages are carried to the market by the product's features and styling, its price, its availability, as well as by numerous promotional tools including, for example,

- space and time advertising
- Loudspeaker advertising
- Mailings
- Speeches
- Sales presentations
- Demonstrations
- Trading stamps
- contests
- premiums
- Free samples
- Price specials
- Coupons
- Posters and show cards
- Point-of-sale displays
- Sales literature
- Catalogs
- Films
- Trade exhibits
- Sales conferences
- Packaging
- House-organ publicaitons
- Product publicity
- Corporate publicity
- Corporate identification programs
- Endorsements
- Atmospheres

(Kotler 1982, p. 354)

These social marketing promotional tools may be classified as personal selling, advertising, sales promotion, and publicity.

1. **Personal selling:** Oral presentation in a conversation with one or more prospective purchasers for the purpose of making sales or building goodwill.
2. **Advertising:** Any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor.
3. **Sales promotion:** Short-term incentives to encourage purchase or sales of a product or service.
4. **Publicity:** Nonpersonal stimulation of demand for a product, service, or business unit by planting commercially significant news about it in a published medium or obtaining favorable presentation of it upon radio, television, or stage that is not paid for by the sponsor. (Kotler 1982, p. 355).

The first step in building the promotional strategy is to define promotional objectives for each target market segment. In a social marketing contraceptive program, an example of a promotional objective for a target market segment of married women in the 25 to 29 year age range may be to increase by 50% the percentage of women who have knowledge of modern contraceptive methods by using personal selling in health clinics and womens' organization meetings, and by conducting short interviews and discussions on radio shows popular with this age group. An example of a promotional objective for an information flow channel member such as physicians might include the following: to conduct seminars at medical association meetings, develop a group of 20 physicians who are geographically dispersed and influential and train them to secure their commitment to provide education to families about proper use of contraceptives. The objectives, of course, must be consistent with the overall program objectives and the other elements of the social marketing mix.

The second step in the process is to select the most cost-effective medium or media to achieve the promotional objectives. Exhibit 12 is illustrative of the promotion mix selection to fit promotional objectives designed for various target markets or constituents. Strategies should be developed for each promotional element and for each constituency if appropriate. Once this process is complete, the time dimension must be superimposed so that each element of the promotional mix complements and reinforces the other elements in a timely manner. This approach will also improve the cost-effectiveness such that the program objectives can be reached in the shortest time frame with the least expenditure of promotional dollars possible.

EXHIBIT 12. RELATING THE PROMOTION MIX TO TARGET CONSTITUENTS

Promotion Mix Constituency	Advertising	Personal Selling	Special Promotion	Public Relations
Potential Target Market (Consumers)	Politically sensitive but a subtle message on bill boards or posters for clinics and retail outlets are appropriate	-Counseling by volunteers, midwives, physicians -Door-to-door selling - Mobile distri- bution	-Store displays -Coupons -Free samples	-Newspaper articles -Radio interviews
Members of the Commercial Distri- bution Channel	No media	-Sales force -Missionary selling -Sales training	-Samples -Literature -Point-of-purchase displays	-Trade Association Meetings -Business Association e.g. Rotary, Lions Club
Members of the Medical Inform- ation Channel	Not cost effective	-Training	-Samples -Literature	-Medical Association meetings -Nurses or paramedical meetings
Influentials	None	None	None	-Personal visits -Television interviews -Newspaper interviews

Much controversy has developed over the years about whether mass media advertising is acceptable and useful in a CSM program. Direct response advertising in Bangladesh seems to support the view that mass media can be used successfully in social marketing. Bangladesh is a religious and conservative society; yet, the results of direct response advertisements run in 1977 and 1982 indicated that the advertisements generated a great deal of interest. Large numbers of responses particularly to advertisements that stressed the importance of family planning to the prosperity of the family were registered. Similar ads have been successful in India, Taiwan, and Sri Lanka. (Harvey, 1984)

The third step in the process of developing the promotional strategy is to select an advertising agency and other supportive sales personnel and install the organizational mechanisms needed to implement the planned strategy and assist in carrying out required research. The organizational mechanisms would include items such as developing target outlets for public relations efforts, setting up procedures and involving appropriate individuals, or setting up a work group to develop an advertising campaign with all the pieces (posters, print ads, product package art work, point-of-sale displays, etc.)

The fourth step in the process of developing the promotional strategy is to design the sales force organization, compensation plan, territory arrangement, training program, and sales activity reporting system. Personal selling is a very important aspect of the information flow in behavior modification and developing adopters of the family planning concept as well as in moving products into the distribution channel. The sales force must be highly motivated and have a strong organizational support component, and have credibility within the community as well.

The compensation plan must provide incentives to the sales force which will elicit behavior on their part which contributes to the achievement of overall program objectives as well as promotional objectives. An initial training program must be supplemented with continuing education so that successful techniques developed by particular representatives can be passed on to others. And finally, salespeople must be given objectives against which they can be tracked and measured to ensure that their activities are contributing to the objectives.

The final step in developing the promotional strategy is to put in place overall coordination and control mechanisms. All promotional activities must be monitored against objectives to determine where future dollars can be most effectively spent, and to ensure that all aspects of the strategy are consistent and are working together to achieve positive results.

Many problems can arise in implementing the promotional strategy. Quite often the attempt to use paid advertising in a social marketing program is extremely difficult, if not impossible. The cost is prohibitive and the risk of offending various audiences is great. Another difficulty is manifested in designing promotional messages which must contain large amounts of information as compared to commercial promotional messages. This is one reason why the education/counseling channel flows are so important. And finally, it is extremely difficult to implement meaningful pretests of messages (Bloom and Novelli, 1981). Budget constraints, as well as the lack of existence of norms or standards with which to compare pretested messages are limitations. In spite of the potential problems in implementing promotional strategies, there exists a wide range of activities that have already proven useful and successful in CSM programs.

CAN OR SHOULD SOCIAL MARKETING PROGRAMS BREAK EVEN?

Although most social marketing organizations are classified as not-for-profit, attention must be paid to the cost-benefit aspects of rendering social marketing services if these organizations are to survive in the long run. The difficulty in answering the above question is twofold. First, how can we measure social cost and social benefit? For example, what is the benefit of preserving a child's life because of ORT social marketing. What is the cost to society if we let this child die? How much should we spend to preserve his/her life?

Second, the social marketing system must satisfy multiple performance criteria - summarized in Exhibit 13. The social marketing system must deliver information and products to the target audience to maintain its viability in the short term. The product, information, and communication content must meet the audience's criteria and requirements in terms of assortment, timeliness, location, and resources. In short, the product/information/communication mix must be right, delivered at the right place, at the right time, and at the right price to the target customer. It should be clear here that target audiences are dispersed in the rural areas of developing countries, generally requiring these service level outputs at less than economically-optimal conditions. Consequently, in order for the social marketing system to maintain viability in the short run it will not be, and perhaps cannot be, economically efficient.

Economic optimality addresses criteria related to productivity and profitability. The concern for productivity is one of social marketing cost per target audience reached. For example, in a family planning program it may deal with questions such as what is the yearly cost of

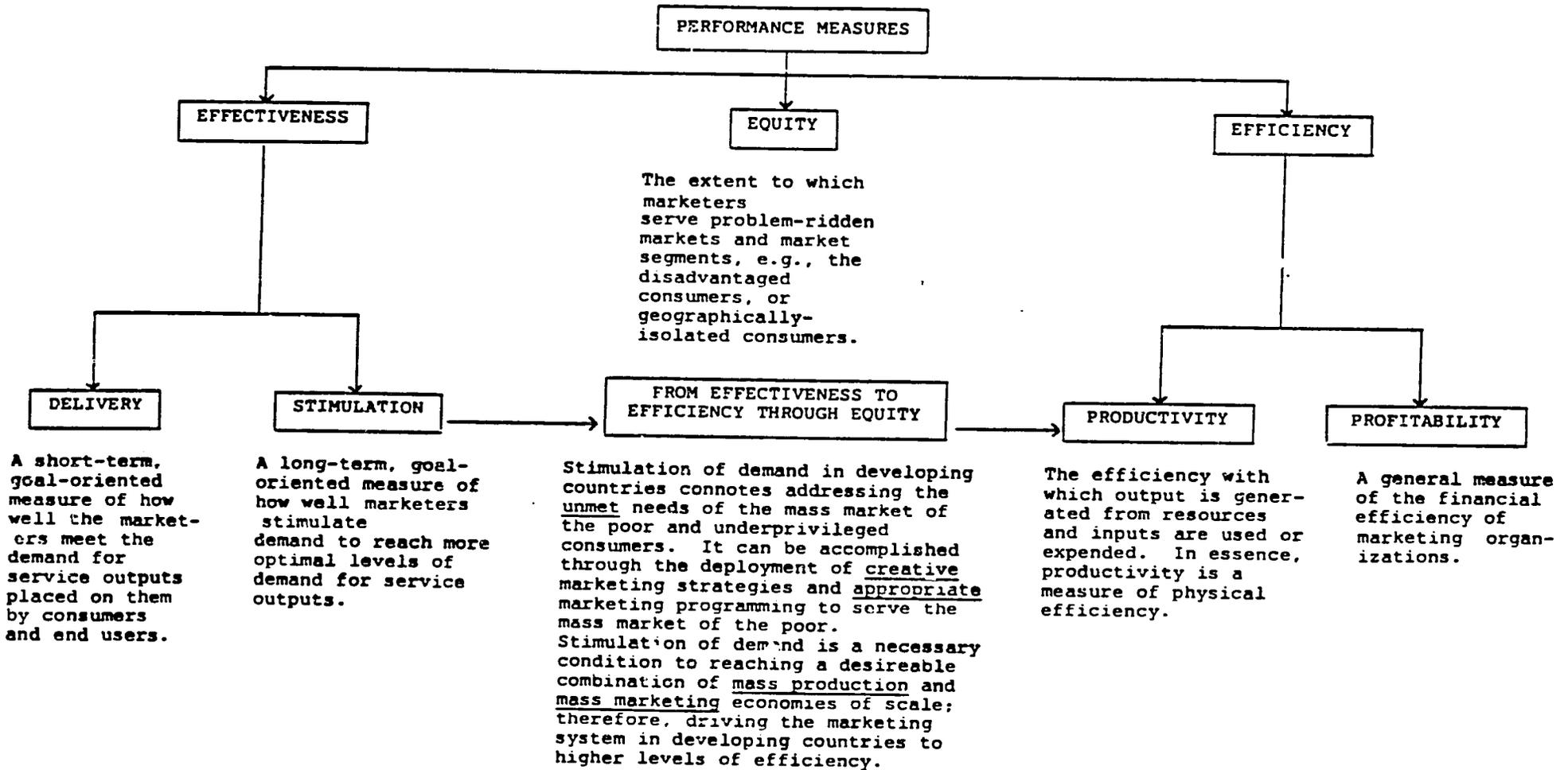


EXHIBIT 13. PERFORMANCE MEASURES IN SOCIAL MARKETING

protection per couple? What is the cost per thousand audience for the advertising campaign? The concern for profitability relates to the financial viability of the social marketing program. It addresses issues such as what is the program's break-even point? How and when can the program break even, or how can profits be maximized without affecting utilization?

Given the relatively large recurrent costs associated with social marketing programs, these programs must stimulate demand in order to reach the break-even point in the intermediate and long terms. In essence, without a large client-base, the program cannot break even in the long run. Reaching break-even is critical if these programs are expected to be self-supporting in the long run.

While social marketers attempt to balance effectiveness, efficiency, and equity criteria, equity is, and perhaps must be, the salient criterion in social marketing programming. By definition, social marketing programs cannot succeed without meeting the equity test, i.e., effectively serving the disadvantaged and underprivileged market segments. It is suggested here that the markets of the disadvantaged provide an unparalleled opportunity for the marketing system to reach higher and more optimal levels of demand. After all, the needs are unmet and the market potential is large. Therefore, one can conclude that meeting the equity criterion facilitates the social marketing system's gravitation from mere effectiveness to sheer efficiency.

CONCLUSION: TRAINING SKILLS IMPLICATIONS OF SHIFTING TO A SOCIAL MARKETING APPROACH

Social marketing poses a broad range of behavioral and managerial challenges. Designing and implementing these programs requires a mix of technical marketing behavioral/communication and managerial skills. The skill needs emanate from the nature and scope of social marketing and its tasks and relationships summarized in the closing paragraphs of the paper.

- **Social Marketing As Problem Solving.** Training needs in this area include enhancing the trainees ability to:
 1. Define the problem
 - Separate symptoms and states of nature
 - Rank order problems
 2. Determine variables impacting on the problem
 3. Develop framework (interrelate variables that impact on the problem)
 4. Develop alternative scenarios
 5. Reach decision contingencies and recognize explicitly the underlying assumptions on which the decisions are made.

- **Marketing As A Technical Process.** Training needs in this area emanate from the need to understand market segmentation, target marketing, the process of developing the marketing offering, differentiating the offering, and positioning it in the market place.

- **Marketing As A Managerial Process.** Training needs in this area emanate from the critical nature of marketing management as a requisite to successful social marketing. Marketing management involves the

planning, organization, coordination and control of all elements of the marketing program including product/offering development, pricing, promotion/communication, and marketing channels. Marketing management should be undertaken at two levels, i.e., the individual organization and the marketing system. Therefore, it requires the development of both intra- and inter-organization management skills.

° Marketing As A Behavioral Process. Training needs in this area emanate from the need to understand consumer behavior and executive behavior. Leadership and control of the social marketing system requires communication and negotiation skills and understanding of the different roles of the participants in the social marketing process, their power resources, and conflict potential. Communication is the essence of promotion as a component of the social marketing mix. Indeed, social marketing cannot establish mutually beneficial exchange relationships with target audiences without effective listening to and communicating with these target audiences.

Social marketing is not a gimmick that can change and manipulate people. It is a deliberate problem solving, technical, managerial, and behavioral process requiring listening, responding, and promoting to cater to the unmet need of vast target audiences across national boundaries. It is a commitment to the future, not a quick solution to pressing immediate problems. It requires investment of vast financial and human resources at present and in the future.

BIBLIOGRAPHY

- Andreasen, Alan R. (1983). Social Marketing Audit: Family of the Future, Cairo, Egypt. Washington, D.C.: Triton Corp.
- Bloom, Paul N. and William D. Novelli (1981). "Problems and Challenges in Social Marketing," Journal of Marketing, 45 (Spring), 79-88.
- El-Ansary, Adel I. (1982). "Understanding Channel Management," in Michael G. Harvey and Robert F. Lusch (eds.), Marketing Channels: Domestic and International Perspectives, Norman, Oklahoma: Distribution Research Center, University of Oklahoma, 116-123.
- El-Ansary, Adel I. (1974). "Toward a Definition of Social and Societal Marketing," Academy of Marketing Science, 2 (Spring), 316-321.
- El-Ansary, Adel I. and Oscar Kramer (1973). "Social Marketing: The Family Planning Experience," Journal of Marketing, 37 (July), 1-7.
- Dixon, Donald F. (1978). "The Poverty of Social Marketing," MSU Business Topics, (Summer), 50-56.
- Fine, Seymour H. (1981). The Marketing of Ideas and Social Issues, New York: Praeger Publishers.
- Fine, Seymour H. (1980). "Toward a Theory of Segmentation by Objectives in Social Marketing," Journal of Consumer Research, 7 (June), 1-13.
- Fox, Karen F. and Philip Kotler (1980). "The Marketing of Social Causes: The First Ten Years," Journal of Marketing, 44 (Fall), 24-33.
- Greenberg, Rachel, William Novelli, Leslie Curtin, and Sharyn Mallamad (1983). A Model for Marketing Research in Contraceptive Social Marketing, Washington, D.C.: The Futures Group.
- Hunt, Shelby D. (1976). "The Nature and Scope of Marketing," Journal of Marketing, 40 (July), 17-28.
- International Contraceptive Social Marketing Project (1983). Contraceptive Social Marketing Workshop, Washington, D.C.: The Futures Group.
- International Contraceptive Social Marketing Project (1983). Determining Pricing Policies in Contraceptive Social Marketing, Washington, D.C.: The Futures Group.
- Kotler, Philip (1984). Marketing Essentials, Englewood Cliffs, N.J.: Prentice-Hall, Inc.
- Kotler, Philip (1982). Marketing for Nonprofit Organizations, 2nd Edition, Englewood Cliffs, N.J.: Prentice-Hall, Inc.

- Kotler, Philip (1972). "A Generic Concept of Marketing," Journal of Marketing, 36 (April), 46-54.
- Kotler, Philip and Gerald Zaltman (1971). "Social Marketing: An Approach to Planned Social Change," Journal of Marketing, 35 (July), 3-12.
- Kurtz, David L. and Louis E. Boone (1984). Marketing, 2nd Edition, Chicago: Dryden Press.
- Luck, David J. (1974). "Social Marketing: Confusion Compounded," Journal of Marketing, 42 (October), 70-72.
- Population Reports (1980). Social Marketing: Does it Work?, Population Information Program, Johns Hopkins University, 8 (January), J-393 - J-434.
- Roberto, Eduardo L. (1972). "Social Marketing Strategies for Diffusing the Adoption of Family Planning," Social Science Quarterly, 53 (June), 33-51.
- Sheth, Jagdish N. and Gary L. Frazier (1982). "A Model of Strategy Mix Choice for Planned Social Change," Journal of Marketing, 46 (Winter), 15-26.
- Zaltman, Gerald, Philip Kotler and Ira Kaufman, eds. (1972). Creating Social Change, New York: Holt, Rinehart, and Winston.
- Zikmund, William and Michael D'Amico (1984). Marketing, New York: John Wiley and Sons.