

Strategic Marketing-Contemporary Issues
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Lecture – 32

We have discussed this concept of social marketing earlier as something called cause related marketing right we discussed that issue briefly. Today, we will discuss it in a little bit more detail social media marketing and social marketing are sometimes used interchangeably, but they are actually kind of two different concepts in marketing. They related the social media marketing is very interesting, and it is becoming increasing more powerful because in marketing communication which is one of the pees in our marketing mix list right it relates to promotion.

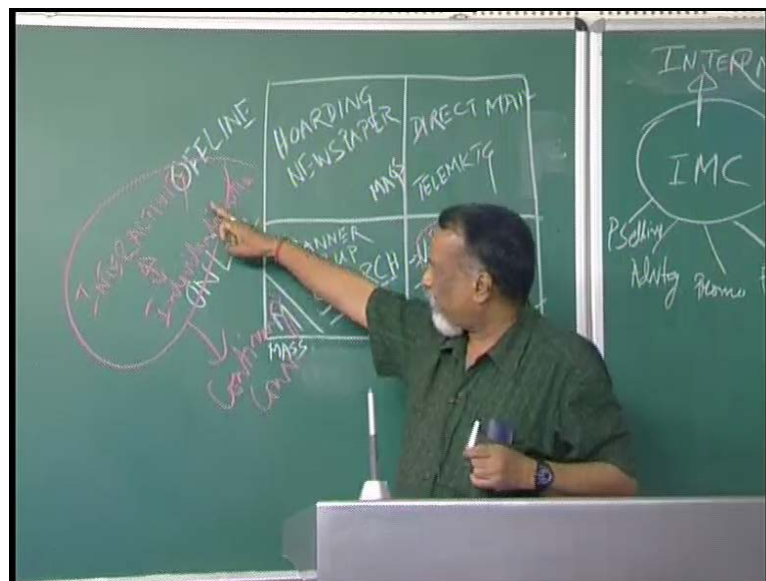
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And of course, in marketing communication when we say promotion it usually means sales promotion sales promotion is like when you get you know buy two buy two and get the third one free or buy one and get one free or you know you get a spoon if you buy a packet of tea in the different kind of gifts and incentives are provided to stimulate the sales at certain times or sometimes you have some special days like Wednesday's at big bazaar are called the cheapest day the reason is of course, it is because Wednesday's in the middle of the week and normally they have seen that the footfall our customers visit peak during the weekend and it is quite low during the middle of the week

So, to solve that problem they created this incentive. So, people will come a pull strategy people will come because they know that on Wednesday they will get the best deals right. So, those are the examples of sales promotion in our marketing mix of course, when we say promotion as a p we mean this whole integrated marketing communications which consists of personal selling, which is very important when it is b to b marketing or when it is a complex product or as in the those classification when it is a what kind of goods will demand personal selling speciality goods right even shopping goods might because it will not be like convenience goods where it will be more influenced by advertising to the extent it can be, so advertising personal selling sales promotion public relations direct marketing direct marketing means, you know you get a in a mail catalogue or you get a communication from somebody that there is such and such product available in such and such shop. So, internet initially was considered as just another channel and therefore, it was part of this.

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But today actually we understand that the internet is changing the entire world of marketing communication and that is because of the high-power of this integration of interactivity with individualization right you know that did the personal selling is only used for speciality goods, why involve the environment?

So, it is it is as we have discussed it is a hit needs it demands higher involvement it is usually a purchase of higher value it is a product where knowledge is important for the

transaction right you are seeking as a customer more and more information. So, if you're wanting to buy a washing machine you will actually provide more information to the seller because you will say if you want a top loading or front loading you will do you want a ten litres or two litres you want a very big one or you want a small one all these information you will provide in exchange the marketer will have to provide you all the various options that are may be available additional features that may be there in in a three four models.

So, a washing machine marketer like samsung or whirlpool or godrej they will have a number of models right to suit number of requirements. So, the transaction of the formation in some way even it may be transaction of knowledge; that means, you may seek some advice. So, when you add information along with some insight or some advice then it becomes a knowledge based transaction and those are demanded in case of b to b in case of speciality goods, but as you can really understand it involves human beings it involves you know going to a place for you as a customer you will have to be in a small or some store which also in turn tell some overheads in maintaining that place.

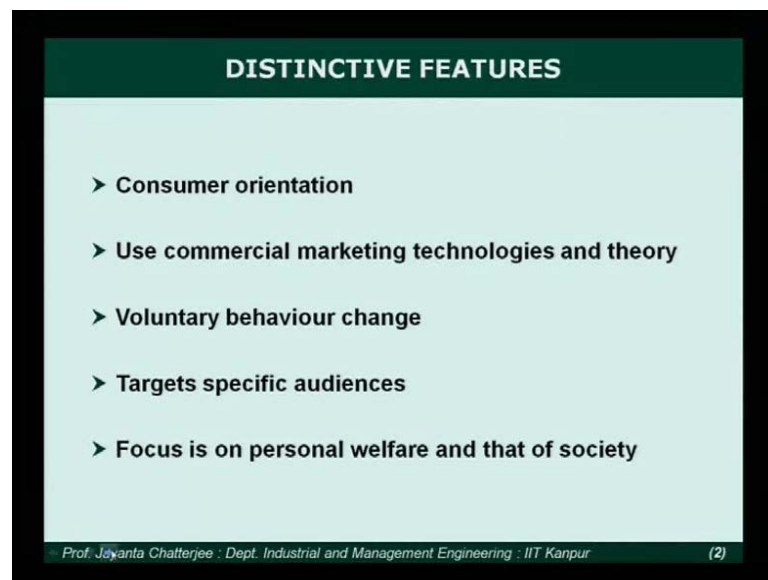
So, personal selling is; obviously, the most expensive of all these types of. So, it is the most effective, but it is also the most expensive where as if you see the per exposure cost right. So, if you if there is a t v ad then it is at one time you are reaching out to millions of people. So, even though that particular thirty second t v spot maybe may cost you a crore of rupees, but the if you are reaching out to five million people then per person your cost comes down significantly, but on the other hand we know that out of those five million people who may be watching that ad in between two parts of a ongoing cricket game then most of all either many of them will walk out of the room right. So, because it will be considered as a distraction and. So, the effectiveness; obviously, is much lower perhaps is the lowest esteem case of advertising though per person the cost may be the lowest.

So, this had been therefore, a traditional trade off in the field of marketing communication, but because of the power of internet and because it allows us inter activity inter activity allows us to know more about the customer see usually what happens is marketing we have always had this situation of what we call information asymmetry because a customer has much more opportunity to know about a product. So, because the customer might be able to do some investigation even in in case of b to b we

always; obviously, will do lot of technical enquiry an investigation before even the frame. They are purchased required amount of what we call specification or a tender document, but even in a b to c when a consumer is buying a refrigerator or a washing machine ora microwave oven the customer would have already gathered lot of information.

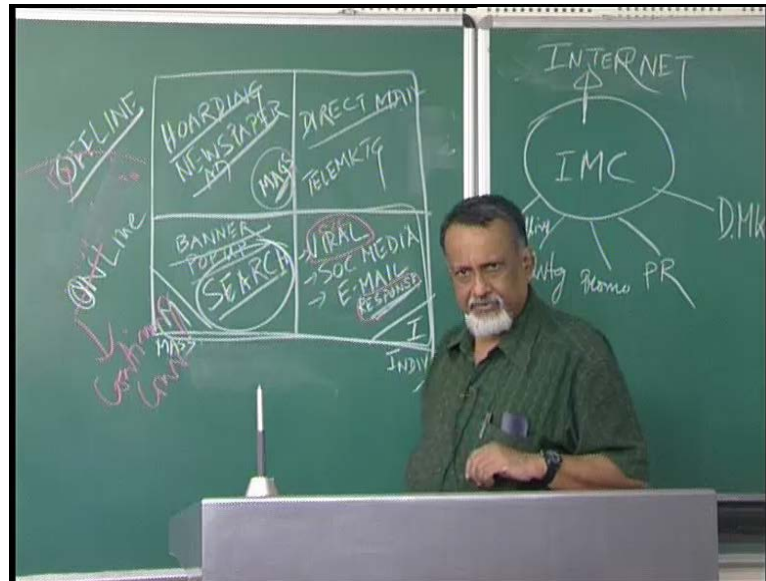
The customer also has a lot of information about say whirlpool or samsung or godrej. On the other hand, the company or the marketer that has very little information about you right that is why they only have some from market research they have some general idea based on demographic based on say the ahluwalia versus punjab or bombay versus calcutta or young versus old or rich people versus poor they can have some generalized ideas, but they do not know you as an individual that is why marketers are often surprised for example, people generally among all the metros consider calcutta as one of the you know a kind of ahluwalia or metro compared to bombay or delhi or even madras or bangalore, but today there is an interesting publication or I think it was an yesterdays business paper that per square feet income for organized retail you know; that means, the big stores like spencer's or like ahluwalia bazaar and. So, on is highest in calcutta you understand

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So, we get surprised of this problem generalized availability of information about individual customers now internet can actually change all of that if you see now this matrix in this we have this two by two matrix here

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We have online versus off line right I can take this out, and so we have online on this segment and off line on this segment and here we have mass versus individual right. So, example of mass communication off line will be hoardings news paper ads right this magazine ads can be slightly better than news paper ads because the magazines can be. So, if you are trying to actually advertise a new moisturising cream and if actually advertising it in a women's magazine right. So, then so you better targeted there. So, that is why it is slightly move on this side, but these are examples of offline mass marketing on the other hand individual mass marketing example will be on off line individual marketing, but offline will be directly mail you know something that is sent out to be thousands of people.

So, they are just catalogue or brochures many of those actually you receive in most offices they are immediately thrown in the waste paper basket. So, as you can see just as this ad general ad it can be quite in effective, but what is most interesting an subject matter of today's discussion are these two quadrants right. So, these two quadrants are mass marketing on line. So, what are the examples examples are these banner ads or pop ups which use see as suppose you are on the website of times of india or you are on the website of indian railways. In fact, Indian railways have large number of pop up ads because actually they are the entire expense of that website is subsidised, and so that you are they do not charge you much for that convenience of booking tickets online, and so that is why they lots of banner ads and pop up ads and pop ups ads are actually as in

effective as this advertising on this television because people will just click out of it right you will just close it its like walking out when the TV ad is being telecast. So, so just like in off line mode the mass marketing the mass communication is not as effective as individualizeright, but the appearance of the search engines change these aha lot and they actually created opportunity of persuading people to go from this segment to this segment because as you know this is the power of googles ads and so on, that means, as you are searching for a particular information they can actually use technology to understand that if you are looking ahah for information's say on aristotle influence on marketing.

Then they understand that it has something to do with philosophy and the system therefore, automatically gives you those ads or links you to those websites which relates to books and publications on aristotle or a publisher who actually specialise onphilosophy or it can even actually depend on what you are reading subsequently because it initially may giveyou twenty results and if you click on one particular result then they even may take you to promote a website which gives you tourism information on Greece because Aristotle came from greece. So, as you can see it actually uses a powerful technology of way human beings search for information and knowledge; that means, it actually goes in a what we can call a map technique or graphical co relation technique.

So, they use all those and technology. So, what happens is therefore, somebody who has just come to the site as a casual searcher. So, at that time you have actually just providedinformation in a mass communication format online, but now you are able to move that person to a very targeted response and even you are able to actually send e mail to that the person in response to some query sometimes there are search facilities' which are even paid facility like for example, our digital library at IIT Kanpur. You have the ability to search for very specific academic material to thousands of journals now that of course, that search facility is paid facility because IIT's are together paid millions of rupees for that particular access, but even in that paid facility therefore, you can see that because you are having targeted in that of course, we do not see any ads or anything that come up, but in goggles' caller provides you therefore, a free facility which is almost as powerful because it it is actually moving you from here to here and because that is why

advertisers are very interested for that particular specific profile that you are presenting right.

The moment you are searching for a certain information, it creates a specific profile and they are able to create a response to you. Now what is today our interest is in actually one part of it which is this, but as you get this specific package of information through this online targeted media what does it do the power it actually present to us in cost related marketing right. So, what is cost related marketing can you give me some examples or example of social marketing no (()) was a actually a example of how a particular a product. It is can actually get widely spread out because of this viral marketing phenomenon, but social marketing means something different exactly very good or as we discussed tata tea right

Now social marketing therefore, fundamentally means that you are trying to promote a cause promote an idea it can be related to promoting a product like tata tea example, but because you are raising the product promotion to a higher plane it can become more effective more interesting you understand that, but they much tougher part of social marketing is what we can call as cause related marketing like a cause like anticorruption you know a social movement against corruption or if easier to understand example will be say anti smoking campaign right. So, you want to persuade people not to smoke or not to have ahfast food which is loaded with high cholesterol even though it is tastier, but it is not good for health right. So, you want to persuade people to go more for natural food or what we called slow food as opposed to fast food now if you want to promote that that is what we call cause related marketing and that is the kind of social marketing that we want to discuss today.

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DISTINCTIVE FEATURES

- Consumer orientation
- Use commercial marketing technologies and theory
- Voluntary behaviour change *Anti Smoking*
- Targets specific audiences *Slow food → Fast food*
- Focus is on personal welfare and that of society

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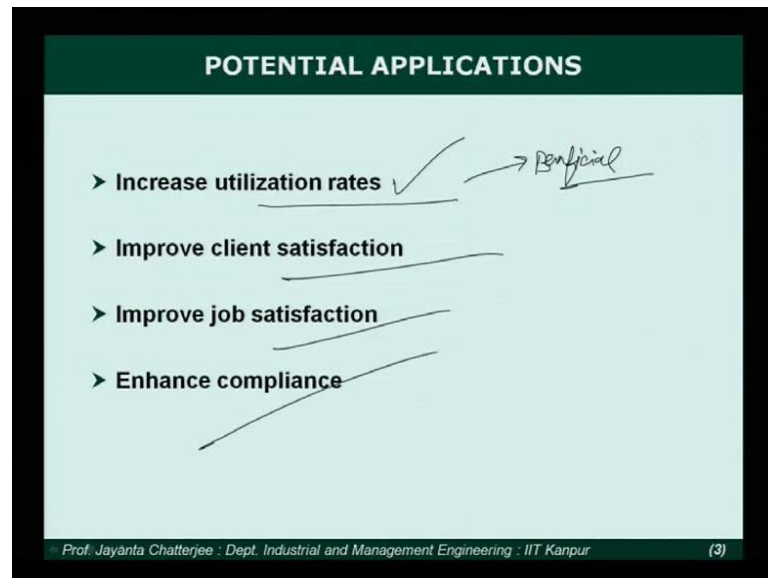
So, as you can see here it means that usually they it is consumer oriented ahit uses commercial marketing technologies only thing it does not use that much of t v ads like as you have seen in case of some of the movements in the recent past. So, it will not be using a tv add, but it will take full advantage of the media. So, that is what we have we know it from that is called public relations in commercial marketing terms right. So, you can use the power of advertorial advertorial are different from advertisement what is the meaning of the advertorial it is a combination of advertisement and editorial.

So, editorial is actually supposed to be an independent comment, but if an independent comment or a report can actually act as your advertisement then it becomes an advertorial which is it form of public relations like this is for example, you call the press and ahyou hold the press conference and you tell them about the IIT Kanpur students. And they are pledge against corruption and that in the next unthorogney the funds that will be raised are there will be a special program which will be dedicated to student awareness against social corruption right.

Now if you hold the press conference on this subject in the press will widely report this, and this then will become a form of marketing what we call cause related marketing. So, it is usually meant for something like a voluntary behaviour change which would be the case of say anti-smoking or say slow food against fast-food right. It will be targeting

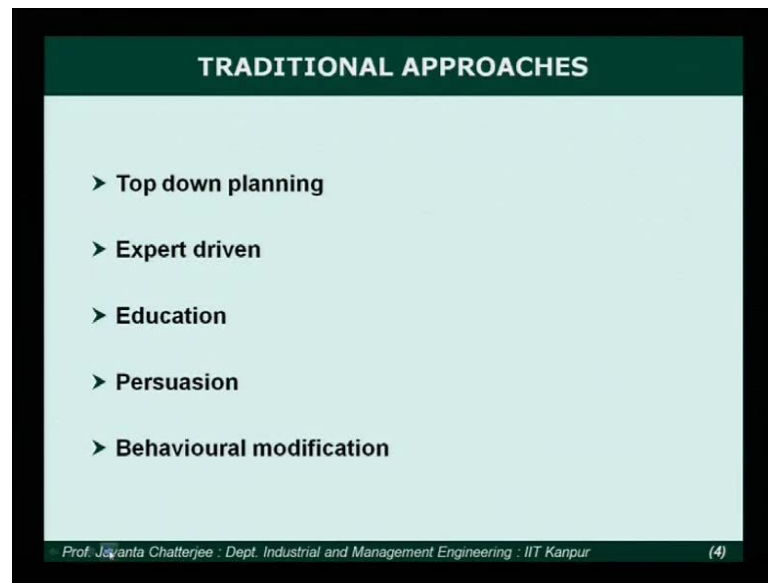
specific audiences and focuses is always on some kind of personal welfare as well as welfare for that society like we discussed against corruption for example

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So, the potential applications can be various types just as in case of a cigarette commercial marketing it will be trying to increase the utilization rate of cigarette. So, that people smoke more that is what the tobacco companies did in the past there now legally not allowed to do that, but today if you want them one people to give up smoking and adopt some kind of other healthier habit right or if you want people to give up fast food and adopt more and more organic food. So, you are trying to therefore, increasing utilization rate which is something that is beneficial improve customer satisfaction job satisfaction enhance compliance and all that which is normal. So, this is just to say that these are normal techniques of marketing that will be used

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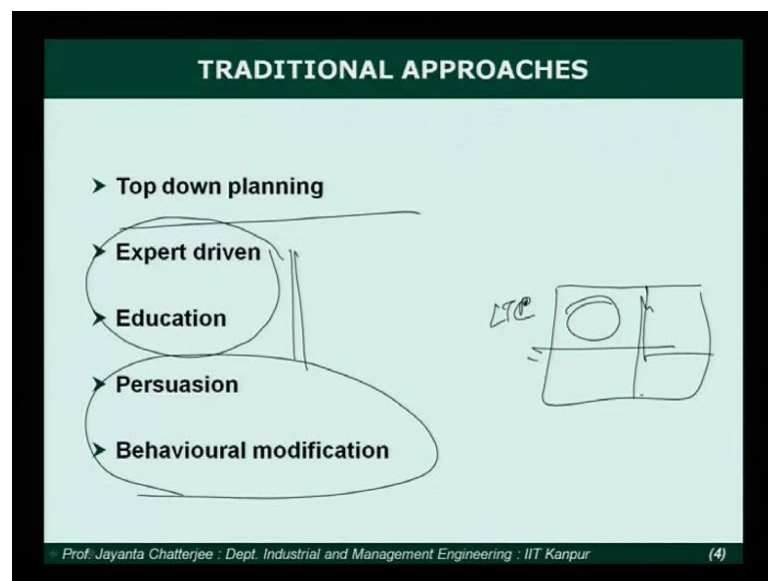


Now, just as in case of a normal b to c marketing the approaches can be all of these top down planning what does that mean? No in let us take first the example of in normal marketing in b to c marketing what we said top down means what this is actually marketing we often criticize that the sales mentality; that means, the top management says this next quarter we must sell more of our sedan models. So, in a car company right that is because the top management might have analyzed that we are our we need more margin, and they know that a smaller cars give smaller margin the bigger more luxury car. So, they may tell the marketing people push our luxury models for the next six months. So, this is what we call top downright the corresponding example in social marketing will be what you said just now that it can be a government ac,t it can be an like, for example, in in new delhi it was the first whether the supreme court banned the use of diesel for public transport and mandated that all public transport must use compressed natural gas right

And in to to reduce pollution now this is something which is mandated top down, but; obviously, any change and this is an a very important point that we discussed right in the beginning of what marketing does marketing is always trying to change the status quoright because when you are persuading somebody to buy something it is in a way causing a change, but here that is a much bigger change asking everybody to change their engines from diesel engine to c n g engine it is a big change it needs people will object that you know I have so many petrol pumps and diesel pumps around delhi we have

four now as you must've seen in those early days five years back or ten years back when c n g was first introduced people found lot of difficulties as it happens in any change and all that needs marketing they it has been co- originally mandate did your government fiat, but at that stage it needs marketing and that is another good example of cause related marketing where newspapers and experts ahcame on television and said that yes this is a very good decision some experts debated against it, but that is all form of what we call social marketing and there actually this advertorials or this public relations format was being used.

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And asusually, if we continue the discussion on the c n g example this expert opinion educating the consumers that please be patient please you know bear the current difficulties for the long-range benefit; that means, if you remember that earlier other discussion that we talked about that focusing on customers long term interest rather than the short term pleasure satisfaction that we discussed in another metrics earlier. Salutory products versus desired products are are rather pleasureproducts versus desired products.

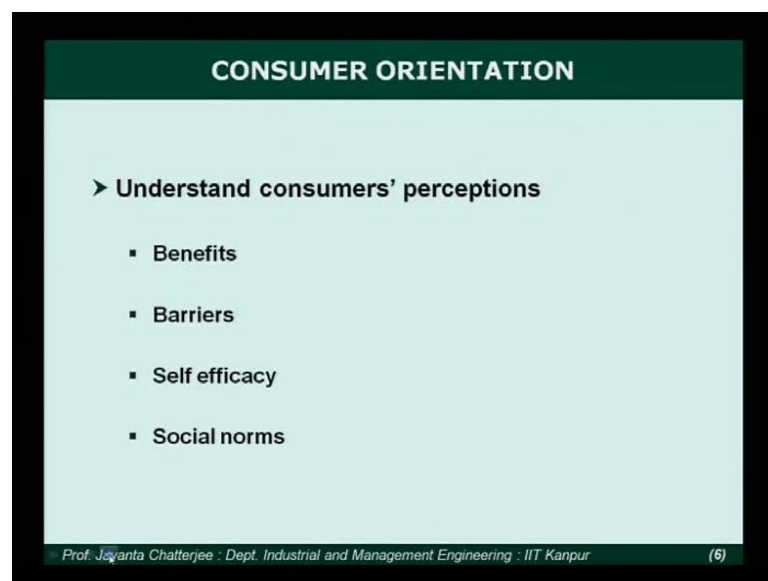
So, it needs similarly expert opinion expert involvement customer education, and this is these are the two tougher once in all cases where we are trying to balance between, see if it is a benefit for the company and long term benefit for the customer then that quadrant is; obviously, easy, but something that is actually not immediately beneficial to the company our society, but it is not the beneficial for the customer. So, long term benefit

for the customer, but you know not immediately benefit beneficial for the company that segment is very tough and that needs marketing expertise of position and behavioural modification.

You understand that and these behavioural modification is a very interesting area of marketing that will be interesting to all of you is and we will discuss that in a subsequent session because it has now become have you have you read any book by dan harley you know this whole area behavioural economics is predictable irrational rightso that is actually now a complete new area of marketing because marketing driven by conventional economics has always relied a lot on what we call homo economics concept what is homo economic concept the rational behaviour that we believe that people when they have all the information then they will act rationally.

So, when people know that smoking is injurious to health it causes cancer then they will not smoke, but we know that that is that is not how the market behaves earlier we ignored these askind of aberrations, but today we understand that can be the foundation of new marketing strategy and that is best understood when we are discussing about this social marketing social social marketing therefore, we have to understand the consumers perceptions

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CONSUMER ORIENTATION

➤ **Understand consumers' perceptions**

- Benefits
- Barriers
- Self efficacy
- Social norms

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So, we have discussed earlier those consumer behaviour with respect to the cognitive factors affective factors and the connective factors now here we also looking at that

besides this normal easy to understand thinks about benefits right and there will be some barriers because it is you are trying to cause a change. So, then we have to come to this social norms.

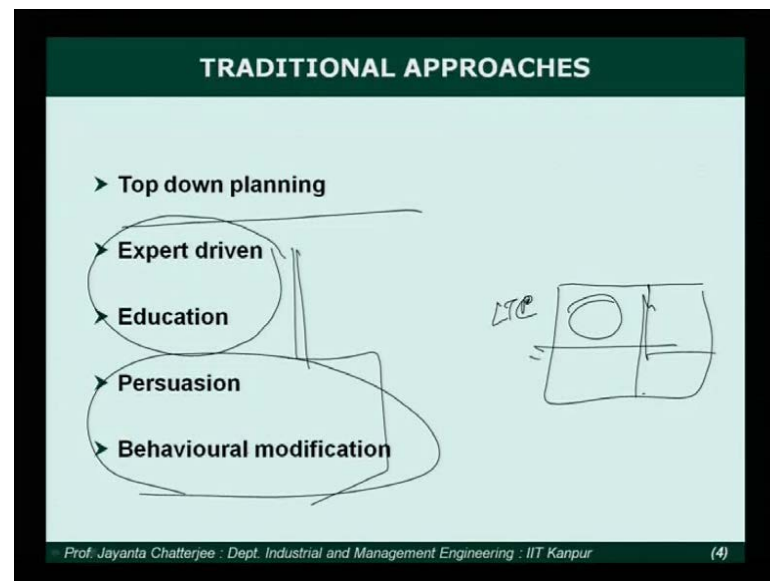
So, let us what if looking at this twopoints self efficacy and social norms and apply this two say and anti smoking campaign or an anti gutkha campaign right. So, how do you actually design your marketing strategy. So, today for example, you want to create a campaign that IIT campus should become gutkha free right. So, it is a good cause because we know that this region has the highest incidence of oral cancer the kanpurlucknow the eastern u p has the highest incidence of oral cancer and it has now been well establish that the oral cancer this high incidence has correlation with chewing tobacco and particularly this new form of chewing tobacco which we call gutkha which is actually some chemicals with a natural substance like tobacco.

So, these even far worse then chewing natural tobacco which earlier people used to do in you know things like kiny and others, but now the gutkha is isis extremely harmful, but it is also extremely addictive and why is it also. So, all prevalent it is a it is also very very inexpensive because it has not been taxed as much as the ahcigarettes and gutkha can be produced by even a small scale producer with on the other hand to make cigarettes you need high investment in automatic machines and so on right. To produce those exact I mean you can make beedies in like cot like a cottage industry, but to make cigarettes you need all kinds of machines and processes. So, if you want to design a campaign against gutkha which is therefore, highly dangerous, but yet highlyaddictive it is actually marketing wise therefore, a powerful force.

If you look at it from gutkha manufacturer point of view because it is a low price high volume highly popular highly addictive. So, it has actually a form of customer loyalty which is created through per worse means you understand here while we are actually spending. So, much energy to in marketing to create the customer loyalty or customer advocacy here that is created through per worse means to the process of chemical addiction and so on right. So, you can see here that and it has got very powerful promotion because gutkha is not allowed to be promoted, but it is promoted through word of mouth orpromoted through example infected big consumer for this harmful good particularly very low priced, and therefore, highly adulterated gutkha at the children and they had persuaded by example like this the adults having it.

So, they also start trying it see if you wanted design a campaign against gutkha say even for our IIT campus. So, what will be the. So, it is the good social marketing exercise social marketing challenge good example of cause related marketing and you can see that just as you in case of commercial marketing you're fighting against competition and what are we fighting here against addiction right

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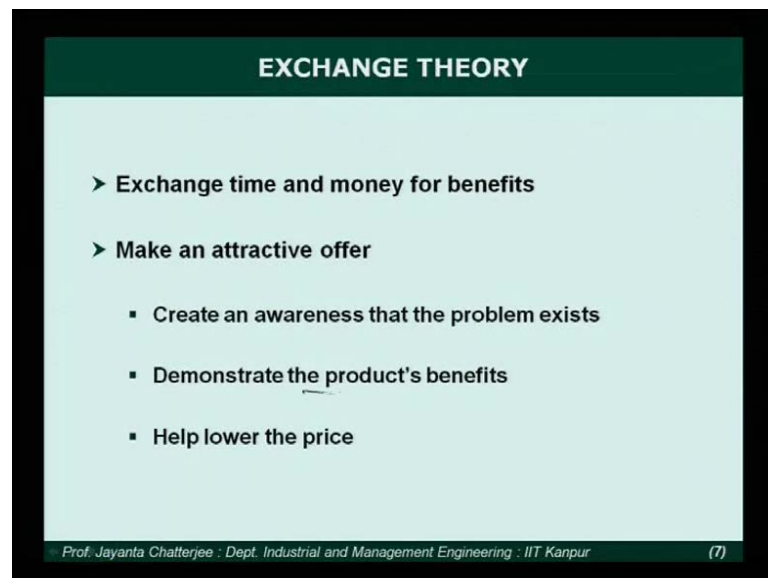
So, you trying to alter behaviour right these behaviour modification using the power of persuasion. So, how would you do it you are disease right, very good, very good right. So, when you when you show these in a pictures you promote you know you you may be able to get good through press conference suppose we want to make IIT Kanpur a gutkha free campus we will hold a press conference we will get good press coverage we can arrange exhibitions at various points on the campus which will show these hideous ill effects of oral cancer, but this is in terms of consumer behaviour where are be appealing those three types of no we are actually providing information when we provide information and facts we're actually trying to appeal to the cognitive side because we're trying to we're trying to get rational reaction that gutkha causes cancer.

So, do not take gutkha, but we know that whenever we are looking at behavioural modification and a persuasive communication must raise above must raise above the cognitive and appeal to our the emotional side it must it must create. So, this appealed to family now why in case of cigarette this kind of campaign that or or in case of alcohol

that the ill effect you must have seen many ads on about alcohol right that how it affects the family that has actually been quite helpful because it has created, but in case of gutkha this has not helped and why in case of alcohol in case a cigarette who are the main bulk buyers the bulk buyers that people who have some higher level of disposable income. So, it is more likely that these are adults right of course, the young adults also people like you are earlier have been big consumers, but these are people who are more open to ideas that it will be harmful for the family, but in case of gutkha that the problem is that day high percentage of the consumer are not even uneducated workers may be quite concerned about family but a low a high percentage are children to them that it is going to affect your family that message may not be going through very well you understand.

So, we need this is a very that is no part answer to this because when we have done initial when we created this campaign against cigarette smoking we created some kind of alternative possibilities like you know those nicotine patches or tablets or nicotine chewing gum and this kind of alternatives were created

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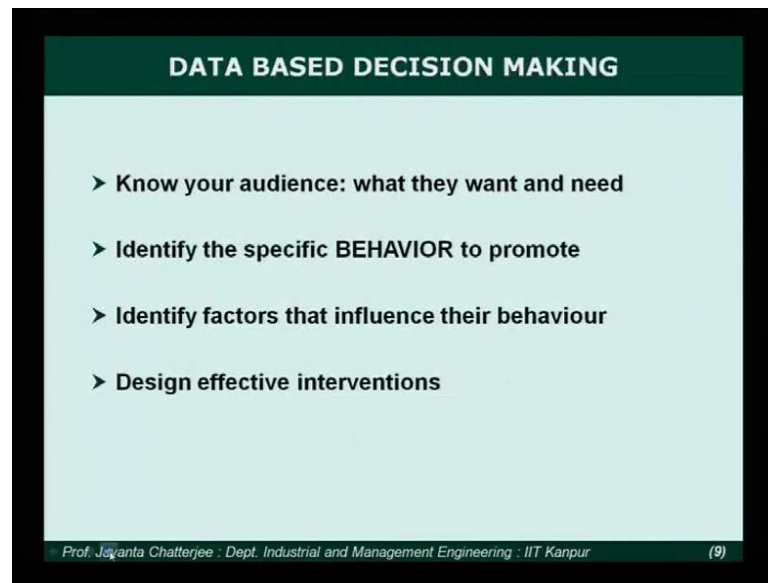
EXCHANGE THEORY

- Exchange time and money for benefits
- Make an attractive offer
 - Create an awareness that the problem exists
 - Demonstrate the product's benefits
 - Help lower the price

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And could actually demonstrate the alternate benefits you follow

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But what can we do in case of this particular gutkhaantygutkha camping actually the reason why this is this is just mean I think it has yesterday or day before yesterday a decision has been taken that throughout n c r that is the national capital regionantygutkha campaign will be shaped and this is a ahspecific campaign itsa extremely tough challenge in terms of marketing as you can see to make the whole of national capital region; that means, we're looking at how many people live in national capital region no it may be you know a close to let us say several cores we do not even know, but it is definitely more than ten cores it could be twelve we do not know, but and out of those people if you if one looks at ahstatistics, but may find that the percentage of people who use gutkha that number may be extremely high in in Kanpur.

For example, what is the population. So, in in among these five million five and a half million people then may be two million people who use gutkha or some form of chewing tobacco now as you can see we do not know enough about what are the different types of people at what price points they buy which kind of gutkha is popular in which kind place and what is the exact reaction it causes in the human system why people get addicted to it. So, you need a lot of good data you need to do a lot of research about your audience and theyreasons to this addiction to create an effective intervention you see.

So, market research techniques need to be significantly improved because what is the normal market research technique we haven't discussed that as yet, but you know it

already to some extent now you can suppose you do a survey and as you can easily see that if if you ask somebody about why they should have gutkha or not have gutkha everybody will say it is not good. So, the survey research will not tell you how it's going to affect you understand your to find some new ways to get the information. So, that you want to then promote this specific behaviour that you are attempting

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So, you you have to use the standard marketing techniques, but it is not you know just designing a product that consumers need and want it is actually want to move the customers from current consumption habit to a different conception habit. So, social marketing or marketing for a social cause or societal marketing by different names that we are call one of the major ways of doing that of course, we understand now is to use the social media use the c two c marketing format because this normal form of advertising is not going to work and you cant actually hire some people to go and meet these two million people who are using gutkha in Kanpur, even on our campus there will be tens of you know, if you take campus and the villages around we may be trying to address seven eight thousand people you know all the mess employees that drivers the the staff the faculty right.

And therefore, the how to market this cause that will result in agutkha free IIT campus is a problem that you should think about investigate that is one part of your mid semester question that is leaked now to you. So, it is even better than an open book examination

because you have now five deserve advance notice. So, are you clear about your that you have to create a campaign against the habit of chewing tobacco a marketing supporting the very valid cause of making our campus gutkha free, you know about the normal marketing communication techniques you already know about all the basic concepts about marketing mix. We have already discussed today that in persuading people these are the standard techniques that we will have to use only thing that is same marketing mix may have to be slightly transformed has to be adapted to this particular course there has been many successful it is not that you are going to face this challenge in this is nobody has been able to solve it.

For example, even our society were actually there is a such a high percentage of the literacy and so on has done quite well in promoting the practice of safe sex right. So, against aids and use of condoms right we have been able we have created a cause related marketing campaign and it will be good for you to look at the campaign for condom that was created by BBC trust which has been praised. All over the world I think some of you might have seen the adds on the television also they even created a ringtone which could be downloaded and millions of people did download you must have seen that add know that parrot talks about that that there is no shame in talking about and and if you so those are the things that you can investigate and you can see how they use the concepts of c to c marketing.

Thank you.