Social Enterprise Marketing: An Analysis of Selected Cases in India

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ABSTRACT
A social enterprise is a venture that works on maximizing improvements in financial, social and environmental well-being by applying various commercial strategies. They do this by maximizing social impact alongside garnering profits. Various researches in the domain of social enterprise and social enterprise marketing show that the studies on social enterprise marketing has its roots in the marketing of non-business organizations, non-profit organizations, marketing in the public sector and social marketing. The cases of six distinct social enterprises were selected and their strategies were evaluated and it was found that the selected enterprises have been creative to the core in marketing their offerings effectively and were up to date in embracing emerging channels of marketing communication to reach out to the target audience. The present conceptual study was done largely based on secondary data, and empirical research would help in drawing a concrete generalisable theory.

KEY WORDS: Social Enterprise, Marketing Mix, Promotion, Social Media and Marketing Strategy

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I. INTRODUCTION
Social enterprises are fast emerging and gaining momentum as an institution of the alternative economy. When a country's conventional economic structures or dominant market-based strategies fail to ensure societal well-being, social enterprises may provide disruptive models to address critical social issues. Most firms of this nature are well known among folk who are already likeminded and perhaps socially conscious. However the larger population, who wants to buy the product or service but is not actively involved in the cause or belief, is not being targeted through a well framed marketing plan. The paper builds upon the work of others and is thus based on the published work on social enterprise marketing.

Factors Contributing to Success of a Social Enterprise
When it comes to social enterprises, though marketing is a crucial challenge as well as opportunity, there are plenty of other factors that contribute to success that also need to be taken into consideration when one looks at the bigger picture. Some of those factors are as follows:

<table>
<thead>
<tr>
<th>Success Factor</th>
<th>Elements</th>
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<tbody>
<tr>
<td>Business Acumen</td>
<td>Business mindset and skills, focus on quality and price</td>
</tr>
<tr>
<td>Innovation</td>
<td>Platform, Design, Sustainable Sourcing</td>
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<tr>
<td>Problem Definition</td>
<td>Opportunity in adversity, social inclusion, revitalization</td>
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<tr>
<td>Partnerships</td>
<td>Alignment, Collaboration, Mentorship</td>
</tr>
<tr>
<td>Community Engagement</td>
<td>Work with the community, Local sourcing and jobs</td>
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Marketing is deeply intertwined with each of the above mentioned success factors and is inevitable when it comes to enterprises and especially, social enterprises.

II. LITERATURE REVIEW

Nikhilesh Dholakia and Ruby R Dholakia take us to an extent of this area through their paper drafted in 1975. Their research compares and contrasts the marketing roles of social enterprises and private companies, as well as the management problems that come with choosing and executing a social enterprise strategy. It argues that, like other types of enterprises, a SE’s marketing target is to settle on the scale, composition, and distribution of output. It also recognizes that marketing mix decisions are one way of determining the production business. In a social enterprise, the marketing planning issue is complex, and success is based on the twin components of organisational flexibility and customer interaction, according to their findings. A related work is that by Eleanor Shaw. His paper (2004) presents some findings that emerged from his study of a few SEs based in the UK. His findings concern social corporations’ marketing practices and the degree to which they can be categorized as "entrepreneurial."

Although social enterprises participate in entrepreneurial marketing, the paper's discussion reveals that the structure of their operations, their non-profit status, and the complexities of social exclusion all have an effect on their marketing efforts.

Lucia Matei and Cristina Sandu, in their paper (2013) attempted to bring to light few theories applicable to social enterprise marketing in conditions of successful market transactions. They remind us about an idea that was introduced by Philip Kotler and Sidney Levy in 1969 when they were considering the possibility of broadening the horizons of marketing. The idea was of applying traditional marketing principles to some other kinds of organizations, different from the private sector. Critically examining the same and analyzing the conditions chain of economic activity, they observed that a motivation that triggers the whole activity is missing. They also deemed that an additional condition is required to connect the starting point with the outcomes from the perspective of a social enterprise. They suggested a design for the socio-economic conditions chain supporting the social enterprise performance in the market as shown below.

![Fig 1: Socio-Economic Conditions Chain](Source: Social Enterprise: Towards a Marketing Approach by Lucia Matei and Cristina Sandu (adapted from Kotler (1972, p.47))

The authors say that reinventing surpluses to achieve a social profit is what differentiates social enterprises from other types of organizations. They also validated their model with the empirical evidence they collected from surveying two prominent social enterprises based in Romania. From their research, they found out that marketing is one of the major challenges faced by social enterprises. Specifically, the social enterprises are faced with market obstacles and threats, then are continuously subjected to the process of reinventing
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themselves and adapting their products and activities to market challenges and changing social needs of their respective target market. They conclude their work with listing the application of the socio-economic conditions chain to a wider sample and the identification of successful marketing activities for social enterprises as an area of scope for further research.

Powell and Osborne, both avid researchers in the area, set out to look at the role of marketing as a road to sustainability for SEs that provide public services in their report (2014). Their research focuses on the contradictions that exist between the economic and social goals of social corporations, as well as marketing. They conclude their research by proposing a new paradigm for the role of marketing in the development of long-term social enterprises.

The work entitled “Use of Marketing in Social Enterprises” by Mir Shahid Satar, Shibu John and Sadaf Siraj provides some critical insights about the use of marketing principles in social enterprises. In their work, they begin by talking about the essence of social enterprise marketing. The authors conclude that while social enterprise marketing is innovatively entrepreneurial, due to its multidimensional and diverse organizational existence and business strategies, it must take care of unique dilemmas and variables to create a foolproof marketing strategy. Then they explore briefly how social marketing has developed to become an evolving social enterprise marketing option and also its current usage in social enterprises.

With the paper written by Chinmoy Bandyopadhyay and Salil Mehta, a fresh perspective on the subject at hand is brought to our attention (2017). The goal of this research paper is to highlight the value of a holistic approach and a diverse set of skills in hybrid organizations such as social businesses. This article illustrates that both contextual and business awareness are important for a social enterprise to achieve success. This claim is conveyed via the 4P marketing model.

Sorawadee Srivetbodee, Barbara Igel, and Suthisak KraisorinSuthasinee (2017), in their paper gave insights on the topic from studies conducted in Thailand. The authors propose that social enterprise marketing can contribute to social value creation. To achieve this, the authors studied a number of literature reviews and conducted a qualitative case study from three social enterprises in the agri-food industry in Thailand. The preliminary findings suggest that social value can be integrated into balance with marketing activities. Their findings implicitly inform social enterprises to always realize the importance of social value towards their marketing activities.

In one of the papers (2019) by the popular authors, Chinmoy Bandyopadhyay and Subhasis Ray, they have identified and discussed the social enterprise marketing key themes found within the previous literature like inadequate resources for marketing, legacy mindset, unplanned and reactive marketing process, wider stakeholder accountability, differential marketing strategy, and cost-effective and bottom-up marketing approach. Similarly, another paper from these authors talks about a whole new perspective on responsible marketing which is intertwined with our study on social enterprise marketing. From their research, they conclude that since social enterprises give more importance to social goals over business results, victorious implementation of promotional strategies and applications can aid them in creating an outline for responsible marketing. They argue that social enterprises’ promotion of socially relevant products and services contributes to the development of a novel standard of responsible marketing. Larger businesses exploring social business and building shared value as part of their business and marketing strategy can find this useful.

To add value to their claims, the authors have taken to explaining their theory with the help of a concept map. Within the concept map, it is seen that while social companies seem to have a responsible approach to their offerings, they lack long-term planning and often take a reactive approach. They claim that social enterprises, along with educational and training programs, all too often conduct straightforward promotional activities to make consumers aware of the deals, but it is also necessary to remember that they are supposed to appeal to a portfolio of varied customers with different preferences and needs. In fact, they also argue that certain social enterprises refrain from engaging in marketing operations and that makes the situation more difficult.

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Another article of relevance is by Nonkululeko Bhengu, and Nigel Chiweshe (2019). The objective of their article is to explore the marketing communication tools employed by Pietermaritzburg social enterprises to succeed in reaching their stakeholders. In discussing the marketing activities employed by social enterprises, it focuses on the application of marketing communication tools of social enterprises in terms of attracting potential stakeholders. Researchers Chinmay Bandyopadhyay and Subhasis Ray have written yet another research paper (2019) of relevance in this area. In order to increase the acceptability of social enterprises and their creative solutions, this article explores the importance of a partnership approach to marketing. Customer-orientedness, mutual trust and engagement, and a supportive institutional setup are three supporting factors for relationship marketing, according to the findings of the paper. Social companies benefit from partnership marketing in two ways: co-creation of value and customization of the product.

Chinmoy Bandyopadhyay and Subhasis Ray were also active in research of this area and came up with a paper on Digital Marketing for SEs. They clearly emphasize the need for digital marketing in social enterprises in this context. They say that while in earlier studies the necessity of digital resources in social enterprise marketing has been discussed, there is a lack of understanding of the strategy or methodology embraced by the SEs. They tried to understand and explore the nature of digital marketing practices in SEs in response, and their paper demonstrates that digital marketing is of particular interest to SEs. They are of the opinion that digital marketing will enable SEs to grow their network and customers when used wisely and establish a healthy relationship with them. Their results also show that online platforms seem to be favoured by social entrepreneurs, as they help them break away from the price associated with the availability of chain intermediaries. These insights, when taken together, suggest that digital media helps to sustain a transparent

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structure, which may be a crucial precondition for building confidence. Although these studies have documented various aspects of the company's digital marketing strategy, the results of their research substantially help extend the present understanding by specializing in social entrepreneurial perspectives.

**Statement of the Problem**

The research work undertaken in the field of social enterprise marketing can be traced back up to the 1990s and there is strong evidence to suggest that social enterprises have been venturing into new realms when it comes to marketing despite the fact that it is again one of the most pressing problems they face till date. Emerging social enterprises are more often than not strayed when it comes to seeking out and adopting the marketing strategies that best suit their requirements. Most of the new age social entrepreneurs are unaware about the concept of social enterprise marketing as such. There is a clear lack of understanding about the social enterprise marketing practices that have proven to be effective and the various avenues one can pursue on the front.

**Research Gap**

A few notable researches have been conducted in the domain of social enterprise marketing but there is a gap in the literature as there are not any published papers which talk about the various marketing avenues that a social enterprise can adopt to and those which give strong evidence about their proven effectiveness as of January 2021.

**Research Objective**

General Objective:
The primary objective of this research is to understand the different effective avenues in social enterprise marketing as of January 2021.

Specific Objectives:
The secondary objectives of this research are:
● To study and understand the social enterprise marketing best practices from a set of selected social enterprises in India.
● To understand the effectiveness of each of the chosen best practices.
● To identify the latest trends in social enterprise marketing.

**Research Questions**
The questions this paper specifically intends to answer are:
1. What are the social enterprise marketing practices undertaken by various SEs?
2. What are the latest trends emerging in the domain of social enterprise marketing and are people adapting to it?

**III. METHODOLOGY**
The study included data regarding the marketing practices of a selected sample of 6 social enterprises cross India.

**Cases from India**

**Case 1: Selco**

Selco is a rural energy service company which is headquartered in Bangalore, India, founded in 1995. The board of Selco is led by their founder Chairman, Dr. Harish Hande. Selco makes solar lighting technology accessible to the economically impoverished people of India. Two critical success factors of SELCO’s business model have been its ability to customize its products to address specific needs of the poor and to arrange finance for its customers.

**4 P’s of Marketing:**

1) Product

Selco offers products mainly in three segments: Solar PV- Photovoltaic, Solar Thermal, and Cook-Stoves.

Solar Photovoltaic Lighting System Solar Lighting (CFL and LED)
● Indoor Home Lighting System
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- Outdoor Home Lighting System
- Solar Headlamp
- Solar Inverter
- Solar Cook Stove
- Solar Thermal Water Heater – Domestic & Institutional
- Selco Customized Products
  - Solar Powered Sewing Machine
  - Headlamps for Midwives
  - Portable Lights for Silk Farmers

2) Price

One of the driving factors in the company's agenda was energy pricing. SELCO could be the cheapest electric energy supplier in the world. In Europe, energies like the Richmond Australia, which are slightly larger and have a similar range to SELCO, cost three to four times as much.

3) Place
- Slum Areas in Kurla
- Unreliable grid connection Long Power Cuts Underserved Communities & Migrant Colonies

Scale Business/Institutions
- Schools, Religious places
- Total Slum Population: Kurla: 6,58,972
- Percentage of Households Without Electricity: 98%
- Operation Channel

Regional Offices: Each strategically located office in Sempur directly manages about 4 ESCs

Energy Service Center (ESCs): SELCO’s Energy Service Centers, base of sales, service, and inventory. 2 each at Kurla East & West.

Salesforce & Business Associates/Technicians: SELCO’s direct sales force and BAs market SELCO’s products to potential customers. Technicians look after technical requirements.

Promotion

Created awareness on the use of Solar Lighting System and generated interest in the community by emphasizing on the benefits – Affordable, Reliable and Sustainable. Promoted trials and demonstrations.

Advertising - Personal Influence Interviews on TV, Radio, Newspaper, Testimonials, Product Note, Company Profiling, Spokesperson Profiling, Accolades, Leaflets, Posters, Pamphlets, Banners, Newsletter, Road Shows, Exhibitions, Street Plays Trials/Samples, Demonstrations, WOM, Influencer Demonstration & Sales Promotion

Campaigns - Light Point Project, Light for Education, Head Lamp Scheme

Through media influencers spread awareness about the availability of low maintenance sustainable energy solutions and Plug in stories about the evolved green citizens – testimonials of celebrities/socialites. Tapping the shows (general storytelling / debate shows) on electronic media which focus on alternative energy or rural energy.

Major Campaigns:
Sales Promotion Sustainable Models Light for Education Program:
Students are provided with LED-powered study light from the school. The light has a small detachable battery that can be recharged at the school’s solar recharge centre. Therefore, the child should have light in the house. Benefits provided by solar families to schools at subsidized prices or through a sponsored benefits: A centralized charging station at the school Student light that a student keeps at home, and a pocket-sized battery pack light charged at the school and powers Independent solar charging system enhances inspections and attendance at schools

Sales Promotion Sustainable Models Head Lamp Scheme:
Tie ups to be done with Realtors/Builders who undertake building construction activities in the TG areas-SRA building High power head lamps to be provided at discounted rates to them for the construction workers so that

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construction work can be carried out safely at night. Benefits: Increases productivity Ensures safety Reduces the risk of accidents

Case 2: Frontier Markets
Frontier Markets is a rural marketplace connecting rural customers to quality products and services. Frontier Markets, headquartered in Jaipur, Rajasthan was founded in 2011 by Ajaita Shah to bridge markets between rural customers and solutions. They evolved from a high-touch to high-tech digital platform working with rural women influencers across multiple states in India, adding vital services based on market demand.

Addressing the Rural Market
Ajita Shah, the founder of Frontier Markets, came up with the model of approaching the rural poor as an educated market, and not people who are catered to, based on statistics on economic status. Rural people in India are really market enthusiasts and invest only after they have carefully evaluated the product/service.

Frontier Markets builds its branch with field staff (also known as Jeevan Sahayogis) who can build and channel relationships to gain access to different segments of customers. They do not focus on selling products, but rather on selling the brand of border markets, especially when customers need help. After a careful market study of the needs and challenges of the rural market, the border markets provided a list of solar products such as lamps, household lamps, fans.

Customer Engagement Practices
Frontier Markets produces a digital archive for each consumer that includes information about the items they’ve purchased so far. Via cell phones, this data is used to provide customer service, product information, and performance monitoring. Customers can contact or call a specific mobile number for each product if they have a problem with it. This social enterprise intends to scale their business by franchising.

Case 3: Socialblood.com
Socialblood is an application on Facebook that matches blood donors and recipients that have the same blood type. Thousands of potential blood donors and recipients will now meet and potentially donate in a virtual setting thanks to Socialblood.

Indian startup Socialblood.com is using Facebook’s vast network to connect blood donors to people who need it. Karthik Naralasetty instituted it after dropping out of Rutgers University in New Jersey to start his own technology firm, Redcode Informatics, in Bangalore. The Socialblood website provides access to eight Facebook groups, one for each blood type. You may enter the Facebook group for your blood type by submitting a post, which will be approved by a moderator.

If you ever need blood, you can post a message to the group and potential donors in your area will respond. Socialblood has now drawn 1,500 people of all blood types, and it is creating more interest with each passing day. Naralasetty says that they have also rescued a three-year-old child who was on the verge of death. Facebook, one of their major operating channels, thus provides them with a dual benefit scenario - one that of being a marketplace for their business and another as the perfect marketer.

Case 4: Aravind Eye Hospital
Aravind Eye Hospitals is an Indian hospital chain. Dr. Govindappa Venkataswamy established it in Madurai, Tamil Nadu, in 1976. It has grown into a network of eye hospitals and has made a huge contribution to the reduction of cataract-related blindness in India.

Aravind Eye Hospital recruits paramedics from the nearby villages who have completed 12th standard and is in the age group of 18–20 years of age. Those recruited will undergo a specialized training for 6-12 months. Similarly, surgeons are recruited from the training ophthalmologist and they are given higher salary compared to the industry standards or peers.

They conduct eye camps in different villages or towns every week from where the major chunk of its patients come from. Those people were given free treatment during the camp and hence “Word of Mouth” will be the marketing tactics for promotion in these villages. Other than this, those paramedics who are from these villages and the trust factor they build with villagers do the marketing for Aravind. There are also NGOs who sponsor
the eye camps and they advertise in the radio, newspaper channel etc. It is an indirect advertisement for Aravind Eye Hospital.

**Case 5: Rang De**

Rang De was created in 2008 as India's first peer-to-peer online micro-lending network. Its headquarters are in Bengaluru, India. In this system, individual social investors are connected to a community of curated entrepreneurs and students from low-income households across the country, allowing them to invest in the community's livelihoods and educational needs.

Rang De lost thousands of investors when it changed from a charitable trust to an NBFC in 2019. As a result, they felt compelled to identify new consumers who would not only be drawn to the relatively new idea of social investing, but would also continue to be social investors once onboarded, as their membership was the company's revenue source.

They began by delving into the core objective of their company, which enabled them to better understand their target market. The user profile dramatically changed after the transition from a donation site to an investment platform. They were able to pinpoint Rang De's user profile after conducting extensive research and brainstorming.

The next move was to figure out how they could meet their target audience in a short amount of time and with a small marketing budget. Their multivariate communication and innovative design strategy through multiple platforms supported them in targeting their target audience while lowering the cost per acquisition.

The most important takeaway from performance analysis was that the same audience responded differently to the same messaging on different channels. Although it was easier to communicate with their target audience on Facebook due to the vast real estate the site owns, Google had a difficult time communicating the idea through our narrative due to its small asset inventory. This was the point at which they chose to focus the bulk of their marketing efforts on Facebook, a medium that was providing them with a high Return on Ad Spend (ROAS). When they poured in more budgets and reached out to more people, the number of regular investors increased.

To summarise the case story in a single sentence, multivariate communication and design, as well as proper user persona analysis, assisted them in reducing consumer acquisition costs from Rs 3500 to just Rs 250.

**Case 6: mDhil**

mDhil is a digital healthcare company based in India that develops and distributes health-related content. Reproductive wellness, family planning, women's health, diabetes, and nutrition are among the company's main subjects.

They used cellphones to contact people who knew about health and wellness. Their experience in India with mobile technology and public health enabled them to create an SMS scratch-card service and an interactive system for storing subscribers' information in a unique health record linked to their personal phone numbers. This helps them to submit the end-user focused health content for follow-up and disease management.

Their service works on any phone, so you don't need a high-end, costly phone to use it. This idea is based on core behavioural science and public health communication principles: timely, easy-to-understand, and desired health knowledge leads to greater consumer engagement, which leads to improved health outcomes.

They are diversifying their relationships beyond mobile carriers in order to increase the number of people who use our scratch-card SMS service. For example, they've started a pilot programme with Narayana Hrudayalaya, a renowned heart specialty hospital (where the poor receive subsidised high-quality care), to distribute scratch cards with targeted health information to patients.

They have introduced 3G mobile services in India by creating an interactive web portal with a mobile web surfing WAP platform. The team has assisted in the development of creative video content that can be viewed on a wide range of mobile devices. They believed that a health portal would be a useful addition to their SMS service, allowing users to search for detailed articles and youth-oriented video material, as well as participate in open health discussions through mobile web 2.0.

Adding fee-based services including a free smartphone quiz to their SMS subscriptions expanded their ability to extend their customer base and provide vital health information.

**IV. RESULTS**

From the various cases mentioned above, we can see that social enterprises in India have been getting creative when it comes to marketing their products and services. Starting from traditional word-of-mouth publicity to taking platforms such as Facebook and even TikTok for marketing, social enterprises have found a lot of cost-effective yet high yield avenues for marketing.
V. LIMITATIONS

The limitation of this study is that all the findings are based on data collected from secondary sources. To understand more about the ROI of each of the marketing strategies undertaken, a thorough investigation and analysis is required through primary data collection methods. Also, a more detailed research on the challenges faced by social enterprises in terms of marketing should also be taken into consideration.

VI. CONCLUSION

This study attempts to compile select cases of SEs describing their marketing strategies. We selected 6 distinct social enterprises from various sectors and understood their marketing strategies from secondary sources and have attempted to give a broader perspective of marketing initiatives of social enterprises in India. A further compilation of date with more cases from diverse fields and geographies with empirical research helps to bridge the gap to a significant extent.

REFERENCES


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