– More Marketing Theories

Besides the 4 P's and 7 P's models, and other model theories, upon which one can build a marketing plan, there exist a plethora of helpful paradigms by which to approach social marketing:

Role Theory

This theory focuses on producer, the organization, and the place of distribution. "Role theory (producer, place) holds that the typical occupant of a given position and in a given context is expected to behave in a certain manner; it focuses on interpersonal behaviour. The marketeer must study the contest in which the appearance is to be made, in order to play the expected role. Role Theory uses a psychological perspective to asses meeting the needs of the potential purchaser. Purchaser is synonymous with the term "target audience."

Cooperative Egoism

"According to the theory of cooperative egoism (product), philanthropy is based on the expectation that the gift will be reciprocated. Thus it is the opposite of true altruism, and is said to describe a stronger motivation than pure altruism." A marketeer using this theory will concentrate on the perceived benefits of the purchasers upon receiving the product. The product is synonymous with the idea, cause, or service being marketed.

Hierarchy of Needs Theory

This is a theory based on the research of psychologist and sociologist Abraham Maslow. "The Hierarchy of Needs theory (purchasers) lists human needs that must be satisfied in sequence. Until a lower order need is satisfied, there is little point in appealing to one above in the hierarchy:" The order of needs, from lowest to highest, are bodily needs, physical security, social needs, ego or sense of self, self actualization, and spiritual needs. This model also uses a psychological perspective to assess the needs of potential purchasers.

Social Exchange Theory

Another theory proposed by a sociologist, George Hofmans in 1950, uses psychological terms. "Social exchange (price) states that individuals engage in social activities only to the extent to which the perceived rewards are greater than the perceived costs. This probably best explains the underlying philosophy of all marketing transactions [at least in the Western world]." This is the first theory to concentrate on price, seeking equilibrium or excess benefits for the purchaser, in the balance between costs and perceived and actual benefits to the purchaser.

Systems Theory

This theory tackles the concepts of "open" versus "closed" systems. "Systems theory (probing) posits that any entity, of any size whatsoever, consists of a boundaried system with certain elements inside the boundary and other

elements outside it. An organizational system is said to be relatively 'open' and thus its programs can be readily promoted if it permits ready access and response to inquiries. An organization will meet with public resistance if the public perceives a closed system. For optimum effectiveness, an organization should create a boundary that is sufficiently closed to protect confidentiality and resources, but open enough to allow certain information to flow to gatekeepers, opinion leaders, and other parties involved in the marketing process." A non-profit must maintain a certain transparency and openness to gain public trust, but an environmental organization, in the face of backlash counter-marketing, may want to protect some of its operations within closed boundaries, as well. This model focuses on marketing research, or probing.

Reinforcement Theory

This theory focuses on the purchasers. "Reinforcement theory (purchasers) stems from the idea that any event (stimulus) that produces a satisfying response, whether by chance or design, creates habitual desired behaviour" This theory is virtually synonymous with the marketing concept that profit derives from the pleasing of customers, i.e. an emphasis on customer service. [For example, a] warm, personalized letter or telephone call… is a reinforcing action in obtaining 'brand loyalty.'" Reinforcement theory seeks customer satisfaction as a means of repeat support, as well as positive word-of-mouth.

Push/Pull Marketing

Although social marketing guru Seymour Fine labels this theory as falling under "promotion," it could also be seen as probing the nature of the exchange relationship regarding supply and demand. "Push/pull marketing (promotion) refers to two strategies used in the promotion mix. Push refers to sales promotion and personal persuasive effort. Pull implies pre-selling by means of mass media to stimulate demand (pull) for the product." A product has more pull when there is a high demand for it, and conversely, it needs push if the supply outweighs the desired demand.

Multi-attribute Model

A multi-attribute model (probing) is a hypothetical mathematical formulation representing the total sets of beliefs a consumer holds about a product." The formula is too complex to repeat here, but it defines a way "to estimate the extent to which the product is affected by each attribute" in the "7 P's" model.

Besides marketing theories proposing different models upon which to build a marketing plan, several recent marketing books have proposed more overarching theories about marketing that are applicable to social marketing, as well.

- **Malcolm Gladwell - Tipping Point**

Among the most popular theories is presented in *The Tipping Point* by Malcolm Gladwell. The author introduces a number of revolutionary ways of looking at how change occurs and leads to radical transformation. According to Gladwell,

"Ideas and products and messages and behaviours spread just like viruses. The name given to that one dramatic moment is an epidemic when everything changes all at once is the Tipping Point" (Gladwell, 7-9) "This possibility of sudden change is at the centre of idea of the Tipping Point - It is the moment of critical mass, the threshold, the boiling point." (Gladwell, 12) His theory explains how organizations can create their own tipping points to facilitate change in a population.

Tipping Point theory equates social revolutions with viral epidemics. "When a virus spreads through a population, it doubles and doubles again, until it has (figuratively) grown from a single [incident to a million cases]. As human beings we have a hard time with this kind of progression, because the end result – the effect – seems far out of proportion to the cause." Nevertheless, the author state that "all epidemics have Tipping Points." If an organization can spread its messages, support and publicity by means of a viral epidemic, then the supporters and users of the organizations resources will do the marketing for the organization.

There are three important factors in the Tipping Point theory: the Law of the Few, the Stickiness Factor, and the Power of Context. "These three characteristics – one, contagiousness; two, the fact that little cause can have big effects; and three, that change happens not gradually but at one dramatic moment – are the same three principles that define how measles moves through a grade-school classroom or the flu attacks every winter". "There is more than one way to tip an epidemic - Epidemics are a function of the people who transmit infectious agents, the infectious agent itself, and the environment in which the infectious agent is operating. And when an epidemic tips, [it tips because] some change has occurred in one (or two or three) of those areas. These three change agents [are] the Law of the Few, the Stickiness Factor, and the Power of Context."

The Law of the Few states that three types of individuals are able to transmit epidemics across social strata because of their personalities. "The first type of personality is known as a

1) Connector. "Sprinkled among every walk of life, are a handful of people with a truly extraordinary knack of making friends and acquaintances. They are Connectors." - "By having a foot in so many different worlds, they have the effect of bringing them all together".

The second type of personality is known as the

2) Maven. "Mavens have the knowledge and social skills to start word-of-mouth epidemics. What sets Mavens apart, though, is not so much what they know but how they pass it along. The fact that Mavens like to help, for no other reason than because they like to help, turns out to be an awfully effective way of getting someone's attention."

"Salesman" is the title Gladwell gives to the third type of person responsible for starting a social epidemic. The author notes that

3) Salesmen have special powers of charisma and persuasiveness that enable them to influence others. "Persuasion often works in ways that we do not appreciate, [ways that] are incredibly subtle." These special individuals see new ideas and products and bring them to the mainstream. By utilizing 1) Connectors, 2) Mavens and 3) Salesmen in a marketing plan, an organization can start social transformation, a viral epidemic to cause social change.

The Stickiness Factor refers to "when something happens to transform the epidemic agent itself." - "The Law of the Few says that there are exceptional people out there who are capable of starting epidemics. All you have to do is find them. The lesson of stickiness is the same. There is a simple way to package information that, under the right circumstances, can make it irresistible. All you have to do is find it." - "Stickiness means that a message makes an impact. You can't get it out of your head, and it says that there are relatively simple changes in the presentation and structuring of information that can make a big difference in how much impact it makes." In other words, Gladwell says that by focusing on the marketing aspects of "product," and perhaps place," an organization can create an idea, product, or service that basically sells itself. Tipping "can be done by changing the content of communication, by making a message so memorable that it sticks in someone's mind and compels them to action. That is the Stickiness Factor."

In environmental organizations in particular, "we all want to believe that the key to making an impact on someone lies with the inherent quality of the things we present. We think that by sticking to the moral high ground, we can convert people to our message or motivate them to action. The Tipping Point theory instead suggests looking at the way we package our messages, of tipping "the message by tinkering, on the margin, with the presentation of [environmental] ideas"

Tipping Point theory does have two main drawbacks: the possibility of immunity and the need to completely dominate a hive in order to be effective. Eventually any physical virus creates immunity within the body, and the idea-virus is no different. "Epidemics create networks as well: a virus spreads from one person to another, spreading through a community, and the more people a virus infects the more 'powerful' the epidemic is. But this is why epidemics so often come to a crashing halt. Once you've had a particular strain of the flu, you develop an immunity to it, and when too many people get immunity to a particular virus, the epidemic comes to an end". Epidemics can also end with a backlash, but more commonly with boredom or overload due to immunity."

- **Seth Godin - Ideavirus and Viral Marketing**

Another very popular marketing book that proposes an overarching theory applicable to social marketing is found in *Ideavirus* by Seth Godin. I mentioned the term "ideavirus" in the last section, but what exactly is meant by the term? An ideavirus is "a big idea that runs amok across the target audience. It's a fashionable idea that propagates through a section of the population, teaching and changing and influencing everyone it touches." - "In creating an ideavirus, the advertiser creates an environment in which the idea can replicate and

spread. The virus does the work, not the marketeer." The ideavirus is thus the creation of a very "sticky" idea.

A subset of the ideavirus theory is the concept of "viral marketing." Viral marketing is "an ideavirus in which the carrier of the virus is the product." In other words, "the product carries the message." - "The new VW Beetle is an example of viral marketing, because the more you drive it the more people see it." Anything that advertises itself is an example of viral marketing: Hollister tee shirts that teens wear to the shopping mall, Macintosh computers that everyone in the office sees one using, and walkie-talkies that necessitate the end receiver also have the same brand of transmitter, are all forms of viral marketing.

"Viral marketing is the Internet-age equivalent of promotion by word of mouth." (Salzman, 231) "Viral e-mails include petitions, photos, animations, celebrity endorsements and games, along with news and jokes." (Salzman, 231) <u>Here's how it works:</u>

<u>"You go to your PC, send me an email….. and ask me how to do it"</u> – Simple!

Viral marketing is started by the first to create a viral product or idea, but the product or idea takes on a life of its own as it travels throughout a population.

There are "Five Ways To Unleash An Ideavirus"

1. "Go full viral - using the product is the same as marketing it.
2. Pay off the promiscuous.
3. Make it smooth for the powerful.
4. Digitally augment word of mouth.
5. Altruism - reward the friends of the promiscuous." (Seth Godin)

It is important to define a few key terms used in the work, since Godin has created vocabulary accessible only to those who have read his book or are otherwise familiar with its ideas:

- A *manifesto* is the original idea, the premise of the ideavirus.

- A *medium………..*

- "The *velocity* ………..

  ……and so on can be explained by me during any of our initial business meeting. Of course you can buy this and other books too but if all solutions could be realized merely by reading a book(s), all businesses (products too) would be thriving.

SIMPLE IDEAS THAT WORK – NOW IS THE TIME TO IMPLEMENT THEM!

WHAT IS YOUR QUESTION?