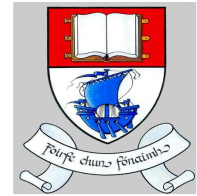




TRAIN



PROFESSIONALIZATION OF LITERACY AND BASIC EDUCATION – BASIC MODULES FOR TEACHER TRAINING – TRAIN

Module 1: Social Marketing Communications

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Case studies

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Social Marketing Communications: Case Study 1

The Body Shop

Can Body Shop survive without marketing?

The Body Shop may have grown rapidly during the 1970s and 1980s, but its founder publicly dismissed the role of marketing. To Anita Roddick, marketers were ridiculed for putting the interests of shareholders before the needs of society. She had a similarly low opinion of the financial community. While things were going well, nobody seemed to mind. Maybe she had found a new way of doing business, and if she had the results to prove it, who needed marketers? But how could even such an icon as Anita Roddick manage indefinitely without consulting the fundamental principles of marketing? By the end of the 1990s, the Body Shop was suffering bad times and the sceptics among the marketing and financial communities were quick to round on the folly of its founder's apparently idiosyncratic ways.

From a high of £370 in 1992, the Body Shop's share price fell to below £100 in 1999, despite the FTSE 100 index more than doubling during that period. Profits remained similarly depressed, with performance in the European market stagnant. An impressive performance in the Far East was more than offset by losses in the USA and near stagnation in the UK and Europe, but even this bright jewel was eclipsed by the economic turmoil of the Far East towards the end of the 1990s.

Roddick has been the dynamo behind the Body Shop. From a small single outlet, she has inspired the growth of the chain to some 1,500 familiar green-fronted shops in forty-six countries around the world. Yet until 1990s she boasted that the Body Shop had never had or needed marketing. Much of the company's success has been tied up with its campaigning approach to the pursuit of social and environmental issues. But while Roddick campaigned for everything from battered wives and Siberian tigers to the poverty stricken mining communities of southern Appalachia, the company was facing major problems in its key markets.

Part of the problem of the Body Shop was its failure to understand fully the dynamics of its market-place. Positioning on the basis of good caused may have been enough to launch the company into the public's mind in the 1970s, but how could this position be sustained? It soon became apparent that other companies had launched similar initiatives, for example the Boots company matched one of the Body Shop's earliest claims that it did not test its products on animals. Even the very feel of a Body Shop store including its décor, staff and product displays had been copied by competitors. How could the company stay one step ahead in terms of maintaining its distinctive positioning? Its causes seemed to become increasingly remote from the real concerns of shoppers. While most UK shoppers may have been swayed by a company's unique claim to protect animals, how many would be moved by its support for Appalachian miners? If there was a Boots or a Superdrug store next door, why should a buyer pay a premium price to buy from the Body Shop? The Body Shop may have pioneered a very clever retailing formula twenty years ago, but, just as the concept had been successfully copied by others, other companies had made enormous strides in terms of their social and environmental awareness.

Part of the company's problems has been blamed on the inability of Roddick to delegate. She is reported to have spent half of her time globetrotting in support of her good causes, but

has had a problem in delegating marketing strategy and implementation. Numerous strong managers who have been brought in to try to implement professional management practices have given up in bewilderment at the lack of discretion that they have been given, and then left.

The Body Shop's experience in America has typified Roddick's pioneering style which frequently ignores sound marketing analysis. She sought a new way of doing business in America but in doing so dismissed the experience of older and more sophisticated retailers – such as Marks & Spencer's and Sock Shop which came unstuck in what is a very difficult market. Body Shop decided to enter the US markets in 1988 not through a safe option such as a joint venture or a franchising agreement. Instead it chose to set up its own operation from scratch – fine according Roddick's principles of changing the rule book and cutting out the greedy American business community, but dangerously risky. Her store format was based on the British town centre model, despite the fact that Americans spend most of their money in out-of-town malls. In 1996 the US operations lost £3.4 millions.

Roddick's critics claim that she has a naïve view of herself, her company and business generally. She still argues that profits and principles don't mix, despite the fact that many of her financially successful competitors have been involved in major social initiatives.

The rift between Roddick's and others view of the world was exemplified in the results of an innovative social audit commissioned by the Body Shop in 1996. The company was prompted to commission the report following media criticism that its social and environmental credentials might not actually be as good as the company claimed. The results highlighted shortcomings in virtually every one of the company's stakeholder relationships. The company scored well in areas such as promoting human and civil rights, pollution control, product information, wages and benefits, women's opportunities and energy conservation. But it scored badly on corporate governance, relationships with shareholders, responsiveness to customer and franchise complaints, accuracy of promotional claims, communications and their reaction to criticism.

Critics claimed that had Roddick not dismissed the need for marketing for so long, Body Shop could have avoided future problems. But by the end of the 1990s it was paying the price for not devoting sufficient resources to new product development, to innovation, refreshing its ranges and moving the business forward. It seems that heroes can change the rule book when the tide is flowing with them. But adopting the disciplines of marketing allows companies to anticipate and react when the tide begins to turn against them.

Case study review questions

1. In what ways could Anita Roddick have maintained her identification with social and environmental causes as a unique positioning feature?
2. To what extent are the pursuit of profit and meeting the needs of wider groups of stakeholders incompatible? Which companies, if any, have managed sustainably to reconcile these two claims?
3. What are the basic lessons in marketing that the Body Shop might have taken on board in its early years in order to improve its chances of long-term success?

Social Marketing Communications: Case Study 2

Non-Business Marketing (Not for Profit Marketing): The Full Stop campaign of NSPCC

Marketing the National Society for the Prevention of Cruelty to Children

Dibb, Sally, The Marketing Case Book, Cases and Concepts, Routledge, London 1994

The National Society for the Prevention of Cruelty to Children NSPCC pledged to raise £300 million in just 12 months through a multimedia campaign. This was 6 times more than the charity's annual target of £50 million. Through its Full Stop campaign, the NSPCC hopes to bring an end to child cruelty within a generation. Following the trend for provocative charity advertising, the NSPCC utilized an unsettling series of television advertisements, depicting various toys and other children's icons, such as Action man, Rupert bear and the Spice Girls covering their eyes against a soundtrack of shouting parents and crying children. Some 3,500 posters carrying the same message appeared, with the NSPCC web site offering support. There was also a mailing of leaflets to every UK household bearing the message Together we can stop cruelty for once and for all. The intention was to capitalize on the awareness created by the advertising campaign. At the centre of the campaign was a pledge document, through which the public ad businesses were invited to donate funds to the charity.

The Campaign Timescale

Early March: PR campaign which continued through Easter. Public address systems at airports and railway stations broadcast reminders.

March 9 1999: Early warning letter to NSPCC's 160,000 best donors alerting them to the campaign and seeking their support.

March 15 1999: Updated web site went live, encouraging people to sign the NSPCC pledge on-line.

March 16 1999: Three week TV and poster campaign began. Sixty second adverts in the first week were followed by thirty and ten second versions. 48 sheet posters on 3,500 sites delivered 55% national coverage with 21 opportunities per person to be seen. 4,000 sites for 6-sheet posters were also used.

March 22 1999: Personalized letters to just under one million existing donors went out. Delivery of door-drop letter and pledge documents to 23 million homes began. Press advertisements appeared, offering an alternative vehicle for signing the pledge.

March 27-28 1999: Call to Action weekend, with volunteer manning 2,000 sites.

Source: Adapted from HNSPCC aims to convert abuse anger into cash Marketing, 25 March 1999, pp37-38

The NSPCC hoped that 20% of its donations would come from businesses. There were many ways in which businesses could become involved. The NSPCC developed a special toolkit that explained some of the sponsorship opportunities and cause related marketing possibilities. Microsoft, which sponsors the NSPCC advertising and holds fundraisers for the charity, is one company that already had links with the charity. The software business was happy to be associated with a cause that supports child welfare. The NSPCC campaign's scale and use of the promotional mix of ingredients were certainly impressive and award winning.

Discussion Themes

1. Why is it more difficult to promote a charity or a service than a consumer good such as a Sony Walkman?
2. Which ingredients of the promotional mix might be most appropriate in promoting a charitable cause? Why?

Relating the Case to Adult Literacy

Discuss how marketing adult literacy programmes might be different than marketing a product or service?

What are the challenges behind marketing adult literacy programmes?

What do organisations have to do differently when marketing adult basic education and adult literacy programmes?

Social Marketing Communications: Additional Mini-Case Study 1

ABC Literacy Scheme

ABC Literacy Scheme is a large literacy scheme based in Dublin providing a range of literacy services and programmes to a diverse group of learners. The scheme has a newly appointed Manager Aine and she has a team of 15 part-time paid tutors and about 30 volunteers working within the scheme. The scheme is located in an old school and is about 30 minutes away from the main VEC (the organisation) offices where the management team are based. The location of the scheme is in a run down part of town and there have been some security issues in the past year.

Demand from the local community has been constant but in the last year demand has dropped by about 10% for all literacy programmes. There has been a huge increase in the population around the scheme but this has not translated into increased demand for literacy programmes. There are certain groups of difficult to reach learners where the scheme has had some success (primarily traveller men) but the new ALO knows there are other groups who do not come to the scheme.

Aine the new Manager has not had much contact with her senior Manager since her predecessor did not have a close relationship with her and is unsure of how she can gain more support from the management at the VEC. Aine has been asked to put together a marketing plan for her literacy scheme and has come to you for some advice.

How will you advise Aine as to what she needs to do for her marketing plan?

1. What steps does Aine need to take before she presents her plan to the management team?
2. What are the key marketing issues Aine needs to consider?

Social Marketing Communications: Additional Mini-Case Study 2

XYZ Literacy Scheme

XYZ Literacy scheme has been in existence for over 20 years in a small rural community in the west of Ireland. The Manager Mary has been working both in a voluntary capacity and more recently as a full time paid Manager for the past 4 years.

Mary has seen huge change in how the literacy service is managed and funded over the past 10 years. Demand has increased by about 20% each year for the services Mary and the tutors are providing, some of this demand is coming from immigrant workers looking for TESOL (Teaching English for Speakers of Other Languages) classes but there has also been increased demand from older adults both male and female who have been referred to the service.

Mary has done some marketing in the past, mainly flyers and posters in local community centres, churches, the parish hall etc but has no experience of PR or some other marketing activities she has heard some schemes have got involved in. Funding for XYZ literacy scheme is expected to increase slightly in the next year and Mary knows that she needs to manage the demand coming in for the services. She also knows that there is talk of amalgamating her scheme with another scheme to provide a bigger literacy service to a wider community.

Mary has an excellent relationship with her senior manager who she has worked with for the past 7 years. Her senior manager has asked Mary to develop a marketing plan that would cover both literacy schemes and widen participation from sectors of the community that have been difficult to reach.

Discussion Themes

1. What does Mary need to do to help her prepare a marketing plan?
2. What are the key marketing issues facing Mary?
3. What elements of the marketing mix does Mary need to consider?