

Marketing social innovations concept: an appeal for methodological pluralism

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ABSTRACT

Societal problems represent both opportunities and challenges for private and public organizations. Issues such as poverty, climate change and inequality can be seen either as a burden or as a source for innovation. Multinational Corporations, Nonprofit Organizations (NGOs), Cooperatives and Social-Purpose Organizations (SPOs) have engaged in projects that can tackle some of these major societal issues. The paper explores existing discussion over controversial social marketing concept and develops superior conceptualization of social innovation marketing concept based on pluralist research paradigm found in the philosophy of social science literature.

Key words: social innovation, social marketing, social innovation marketing, pluralist research paradigm

Introduction

Social innovation has emerged in recent years as an area of interest for scholars and practitioners (Nicholls et al. 2015). Although it has been discussed under different definitions, we refer to social innovation here as “new organizational and institutional forms, new ways of doing things, new social practices, new mechanisms, new approaches and new concepts that give rise to concrete achievements and improvements.” (CRISES, 2004:1).

Interest among social scientists and public administrators in the application of marketing tools to public sector services and social innovations emerged from the tax revolt of the late 1970s and early 1980s in the North America. With the shrinkage and withdrawal of grants from federal and state governments, municipalities were confronted with the issue of how to satisfy the growing expectations of taxpayers in a milieu of reduced financial resources. During this period of financial scarcity, the public administration literature witnessed an attempt to rethink the nature of public sector management through the active importation and borrowing of private sector techniques. This process of importation was labeled by several commentators as integration of public and private sector management or in briefer terms “managerialism” (Murray, 1975; Walsh, 1994). Marketing in the public sector as a new approach for promotion of societal issues was part of the managerialism movement.

Walsh’s (1994) analysis suggested that interest toward marketing among public administrators and social innovation activists was significantly stimulated by the growth of consumerism, the development of market-based approaches to the provision of public services, and by extensive use by government agencies of promotional techniques. Similarly, O’Farcheallaigh (1991) contended that the marketing philosophy in nonprofit organizations was a reaction to a commonly recognized need for organizations to change the ways in which they organized and delivered public services and societal causes. One of the earliest attempts to view citizens as customers, city hall as the community's market place, and the city manager as a marketing manager, was a 1970 issue of *Public Management* published by the International City Management Association (ICMA). The general tone of the issue was that marketing was an overlooked opportunity for improving the delivery of city services, introducing social innovations, and many public sector managers were unaware of the positive role of marketing even though they were unconsciously engaged in it's activities (Goldberg, 1970).

The purpose of this paper is twofold: 1. To explore existing discussion over controversial social marketing concept; and 2. Develop superior conceptualization of social innovation marketing concept based on pluralist research paradigm found in the philosophy of social science literature.

The Emergence of Social Marketing

Shapiro (1973) introduced nonprofit marketing in the business literature. Kotler and Murray (1975) introduced marketing as a concept into public administration literature in the leading North American public administration journal. Since that time the word social marketing has become an established term in the public manager's lexicon. However, in the four decades following the Kotler and Murray article, the application of marketing tools to the public sector was confusingly linked with their application to the nonprofit and social innovations areas. Thus, texts and articles often use as synonyms such terms as nonprofit marketing, government marketing, social cause marketing, political marketing, and social marketing even though there are different environmental contexts and, hence, marketing applications in each of these milieus. It appears that public administrators and the literature most commonly use the term “nonprofit marketing” or/and «social marketing» This is probably attributable to the original articulators of the generic marketing concept believing the term “nonprofit organization” to be an appropriate generic term for the public sector and social cause organizations (Kotler and Levy, 1969; Kotler, 1972).

Marketing techniques within the public sector have been applied across the full range of services including police services, garbage collection, population control, recycling, recreation, drunk driving, abortions and education. Texts appeared that focused on specific application of marketing techniques to different social-purpose organizations, nonprofit and government agencies (Coffman, 1986; Fine, 1990; Kotler, 1975; Laszniak G., et al., 1979; Lovelock and Weinberg, 1984; Mauser, 1983; Mokwa, et al., 1980; Mokwa and Permut, 1981; O'Faircheallaigh, et al., 1991; Rados, 1981; Rossman and Schlatter, 2015).

In addition to public management journals regularly addressing different marketing topics, several academic journals (e.g. *the Journal of Nonprofit Marketing*, *Health Marketing Quarterly*, and *Social Marketing Quarterly*) were subsequently launched to address issues related to the application of marketing techniques to specific fields in the social area. Today, social marketing applications are being used in a large number of international contexts including republics of the former Soviet Union and Third-World Countries (Barach, 1984; Beveridge 1995; Bloom and Novelli 1981; Duhaime, et. al, 1985; Foldvary, 1994; Gallagher and Weinberg, 1991; Kikert, 1997; Lamb, 1987; O'Connell, et.al., 2015; Rossman and Schlatter, 2015; Tam, 1994).

Conceptualization of Social Marketing

Kotler and Murray (1975) suggested one of the earliest and most influential conceptualizations of social marketing. It was elaborated upon in a text published in the same year (Kotler, 1975). Kotler adopted Boulding's (1973) definition and classification of formal organizations. In Kotler's (1975, p. 5) interpretation, a formal organization is "a purposeful coalescence of people, materials, and facilities seeking to accomplish some purpose in the outside world." Different purposes determine different types of formal organizations: business concerns seek to benefit their owners; service organizations seek to benefit their clients; mutual benefit organizations seek to benefit their members; and commonweal organizations seek to benefit the public at large. In spite of differences in goals, Kotler contended that all formal organizations were involved in *exchange* relationships with various categories of publics.

However, the concept of voluntary exchange is only one of several possible philosophical alternatives for explaining the relationships between formal organizations and their publics found in the sociological and anthropological literatures. Other options include: the *love system*, characterized by the underlying motive of *benevolence* on one side without any necessary reciprocation by the other; and the *threat system* characterized by an underlying motive of *malevolence* on one side (Boulding, 1973). Thus, in Kotler's interpretation, a church and its members, a police department and citizens, a charity and its donors, and so on; are all engaged in exchange transactions that involve taxes, services, money, contributions, feelings of well-being, or other tangible and intangible benefits. If an organization is willing to exchange resources with an identified public, then this category of public becomes the organization's market or "distinct group of people and/or organizations that have resources which they want to exchange, or might conceivable exchange, for distinct benefits" (Kotler, 1975, p. 22).

Having introduced the notions of organization, public, market and exchange, Kotler explained the differences between marketing and a sales orientation. The marketing concept involves continuously adjusting the firm's offerings to the targeted customers' needs. In contrast, a sales orientation involves continuous adjustment of buyers' needs to the firm's offerings. He asserts that a sales orientation is likely to be characteristic of an unresponsive toward social innovations organization, while a marketing orientation is likely to result in a highly responsive toward social innovation organization.

Inspired by the provocative theory of social exchange (Homans, 1969), Kotler and his associates modified existing public advertising theories to formulate the marketing approach comprised of the "4 Ps" model, voluntary social exchange, and the marketing philosophy of meeting customers needs (Bagozzi, 1975; Zaltman and Sternthal, 1975). This explanation of the notion of marketing resulted in the term "social marketing" which was defined as:

The design, implementation, and control of programs calculated to influence the acceptability of social ideas and involving considerations of product planning, pricing, communication, distribution, and marketing research. (Kotler and Zaltman, 1971, p. 5).

With few constructive exceptions (Lauffer, 1984; Luck 1969, 1974; Mauser, 1983; Monieson, 1988; Rados, 1981), this transactional conceptualization of social marketing has been widely accepted by scholars writing about public and nonprofit sectors marketing (Andreasen, 1995; Hunt, 1976; Lovelock and Weinberg, 1978; 1984; O'Connell, et.al., 2015; Manoff, 1985; Roberto, 1991; Rossman and Schlatter, 2015).

The Poverty of Social Marketing

The controversy was initiated by "apologists" who were concerned with the conceptual identity of the marketing discipline, its proper boundaries, and its classical and traditional interpretation (Dixon 1978). Luck (1969; 1974) was the first apologist to attack Kotler and his associates. Luck argued that in the public sector there are no freely established terms of sale, and parties (e.g. churches, donors, voters, political parties, and so on) are not given any specific *quid pro quo* in their transactions. He believed that marketing should be limited to buying-and-selling interactions, and that applying this criterion to nonmarket situations leads to "confusion compounded" (Luck, 1969; 1974).

The Kotler-Luck discussion of the scope of marketing stimulated substantial additional debate. Dawson (1979), Fisher-Winkelman and Rock (1977), and Lazer and Kelley (1973) advocated that the central value of marketing should revolve around social responsibility and humanistic concerns, instead of its traditional pragmatic and materialistic orientation and preoccupation with profit. Bell and Emory (1971) and Etgar and Ratchford (1975) stated that Kotler's broadened conceptualization of marketing undermined the classical interpretation of marketing. Arndt (1978) argued that the marketing field should exclude churches, welfare agencies, and cultural organizations from its domain. He insisted that the conceptual foundations for public sector marketing should emanate from the political science and public administration areas. Bartels (1974) pointed out that if marketing is to be regarded as being sufficiently broad to include both public and for-profit organizations then it will, perhaps, reappear as a higher order discipline and under another name. Some have suggested alternative titles for this higher order discipline. The suggestions included "physical redistribution" (Bartels, 1974); "transactional sociology, persuasion, attitude change, social engineering, public relations, or government"

(Tucker, 1974); “relationics,” “exchangeology” (Arndt, 1981); and “redistributive justice” (Monieson, 1988).

Bagozzi's (1975) extension of Kotler's generic marketing conceptualization, which incorporated adaptations of social exchange theory and selected anthropological approaches, also came under attack. Critical commentators argued that Bagozzi's adaptation of social exchange theory from sociology was inadequate, that he ignored critiques of exchange theory found in the social sciences; and that he annexed almost all of social science, especially social psychology, and claimed it as part of the marketing discipline (Blair, 1977; Ferrell and Perachione, 1980; Robin, 1978).

In spite of the debates, Kotler's notion of applying marketing logic to contexts beyond those of business situations was widely accepted by marketing educators (Nickels, 1974), Bagozzi's (1975) articulation of a formal theory of marketing exchanges won an award as the most outstanding paper at the American Marketing Association's (AMA) First Semi-Annual Theory Conference, and controversy over the issue was declared to be over (Hunt, 1976; Lovelock and Weinberg, 1978). The next decade, however, showed this declaration to be premature, as further constructive criticism was published by Capon (1981); Capon and Mauser (1982), Dixon (1978), Nine (1994); Octen (1983), Pandya and Dholakya (1992), and Rados (1981).

For example, Dixon (1978) argued that Kotler's broadened conceptualization of marketing, and especially social marketing concept, assumed that management of a public or social organization could act independently from elected government representatives, and that organizations were able to determine equity standards of resource allocation relatively independently. According to Dixon (1978), such a conceptualization was as misleading as the Ptolemaic view of the universe that suggested the Sun revolves around the Earth. Dixon (1978) contended that an organization (the Earth) is subordinate to governmental policy (the Sun) established by elected officials, and that it is government who determines equitable allocation of resources in a society.

Rados (1981) elaborated upon Arndt's (1985) argument that “not all exchange is marketing” and took issue with Kotler and Bagozzi arguing that “not all marketing is exchange.” Rados (1981) did not accept either Kotler's (1975) or Bagozzi's (1975) conceptualization of social marketing. He challenged it from two perspectives. First, Rados recognized that the economic idea of voluntary exchange is appropriate for describing commercial transactions characterized by bilateral transfers of tangible or intangible resources between any two parties. He agreed with Kotler that the absence of any control over an individual who had a right to choose, and the inability of a firm to proscribe its products to customers, were the main

characteristics of marketing behavior in any democratic society. However, Rados pointed out that in the same democratic society, the most popular method practiced by government to pay for delivered services through the action of its legislative or executive branches was *force*. This was exemplified by forbidding choices; making selected behavior or purchases illegal and limiting choices through bureaucratic decision rules that restricted the available options. For example, the US federal and state governments require car drivers to use seat belts and drive at a restricted speed; college students to take a prescribed number of courses and follow academic guidelines; and taxpayers to pay their taxes by a certain date. Failure to conform to such rules or laws leads to sanctions and punishments. It is difficult to argue these actions are implemented with a free will so "... the notion of voluntary exchange begins to go off the track" (p. 19).

The second concern expressed by Rados (1981) referred to *what* was being exchanged for *what* in noncommercial situations. Mercantile transactions are voluntary bilateral transfers of tangible and intangible resources such as money, goods and services between any two parties. What is being exchanged in such transactions is "rights, the property rights, specifically the exclusive right to [own] ... and the right to transfer that right to someone else" (p. 19). Rados contended, however, that nothing was being exchanged in noncommercial situations. The National Safety Council urges motorists to drive within the speed limit, not to consume alcohol, and to wear seat belts. However, "the driver gives nothing to the council, and the council gives nothing to the driver ... nor does the council seek command over resources as a result of its effort" (p. 20). Similarly, when donors contribute to the art museum or a charity they do not receive in return a "feeling of well being" as Kotler (1975) postulated. Rados argued that feelings are self-generating, cannot be stored and sent off upon receipt of a donation, and may not emanate from the act of donating to an art museum or charity organization.

Rados excluded force, legislative activity, therapy, wartime propaganda, and inability to refuse to pay taxes and the like from the marketing domain. Echoing the earlier critique of Arndt (1981), Rados concluded that "some marketing is exchange, but not all of it; [and] some exchange is marketing but not all of it" (p. 18). In contrast to Kotler, Rados interpreted marketing as a managerial technology for changing behavior. Marketing seeks to influence mass behavior. To achieve this goal, marketing uses two major methods: persuasive communication and adaptation to existing patterns of behavior. Using these methods "[marketer] A tries to get [customer] B to do his will, where B has freedom to act as he chooses" (p. 17).

Reviewing and comparing Rados' (1981) and Kotler's (1975a) interpretation of nonprofit marketing, Capon and Mauser (1982) challenged the appropriateness of the marketing concept in a public and nonprofit sectors context. The conventional wisdom of marketing advocated by Kotler and his followers (Andreasen, 1995; Lovelock and Weinberg, 1978; 1984; Mokwa, et

al., 1980; Mokwa and Permut, 1981) suggested that the core task of marketing is to satisfy the public's needs and wants. Accordingly, the marketing concept (marketing philosophy) as defined in almost every commercial marketing text states that the satisfaction of customer needs is the justification for an agency's existence and its actions. Hence, alternatives to the concept of marketing--a sales orientation or a product orientation--are seen as inappropriate and likely to lead to a company's demise. The conventional task of marketing is perceived to be a continual adjustment of product or service offerings to meet customer needs (Kotler and Levy, 1969). In the public sector context, Kotler (1975) suggested that a sales orientation was indicative of an unresponsive organization, while a responsive organization would be characterized by a marketing orientation with a strong social innovation perspective.

Capon and Mauser (1982) dispute this conventional view of marketing in the public and nonprofit sector contexts. They contrast business and nonbusiness organizations and argue that business firms and public sector organizations have different objectives. Business firms have a long run objective to survive and in pursuing this objective, firms can change their core mission as many times as it is necessary for survival. Change of mission means either adapting the firm's products to match the external environment (the marketing concept) or adapting the environment to match the firm's product (the selling concept). Most marketers favor adapting the marketing concept, that is, changing a firm's core mission, services, or target markets in order to best match its resources to environmental opportunities. For example, a commercially oriented recreation center could totally change its service offering, increase prices, reduce costs, target high-income market segments in a different geographical location, and abandon low-income local markets that were not contributing to the center's long run survival objective.

Capon and Mauser (1982, p. 128) argue that this notion of satisfying customer needs and wants, or the application of the marketing concept in a public organization is "absurd ... as far as pursuing its core mission is concerned." They distinguish between *extant* and *core* missions of public and nonprofit organizations. The extant mission reflects the activities of public and nonprofit organizations that are designed to improve relationships with the public. For example, a church can provide scouting, women's clubs, and soup kitchens to cement relationships with believers. A public university may modify its course offering to serve students better. A city park and recreation department may introduce new recreation services in response to citizens' requests. The extant mission, and nature of activities associated with it, may change over time as relationships with the public improve or deteriorate. However, the core mission, which is more important than the extant missions, is less likely to change. Churches and political parties do not change their core religious doctrines and political philosophies. Public universities do not change the length of semester or core course requirements because some students want them shorter,

fewer, or cheaper. Park and recreation departments do not provide highly profitable services such as casinos or striptease bars because these contradict their core social mission to deliver a healthy recreation opportunities. Rather these organizations attempt to persuade their members and publics either to adopt the core political, educational, religious, or community doctrines and philosophies, or request them to drop their membership with the organization.

Capon and Mauser (1982) argue that for a nonprofit or public sector organizations, the appropriate behavior relating to the core mission is “persuasion to its point of view.” For other areas of activities and services defined by the extant mission, either a marketing or sales orientation may be appropriate. A similar position regarding the role of marketing in public organizations was taken by Hutton (1996) who recommended reconsideration of the fallacious understanding of relationships between marketing and public relations suggested by Kotler and Mindag (1978). Comparing Kotler’s definition of generic marketing with definitions of integrated marketing communications (IMC) and relationship marketing, Hutton (1996) found them to be almost identical and, that all of them were, “a definition of public relations, as it has been practiced by more enlightened organizations for decades” (p. 158). Hutton suggested that public organizations adopt a “separate but equal” model of relationships between public relations and marketing. Consistent with Capon and Mauser (1982), Hutton (1996) suggested that public relations was the appropriate vehicle for implementing persuasion and the core mission, while marketing was more appropriate for the extant mission with its focus on physical distribution, capacity utilization, new product development, and the like.

These critical works stimulated further discussion of the conceptual underpinnings of public and nonprofit sector marketing. Walsh (1994) accepted Rados' dissension with the notion of voluntary exchange in the public sector, as did Pandya and Dholakya (1992) who suggested as an alternative the institutional theory of exchange informed by Arndt’s (1981) political economy theory of marketing systems.

The overall status of the social marketing concept and the whole idea of applying marketing principles to contexts beyond business situations in the marketing literature was perhaps best summarized by Kerin (1996, p. 6). In his comprehensive review of outstanding contributions published during the last 60 years in the *Journal of Marketing*, Kerin characterized the works of Kotler and his associates (Kotler, 1972; Kotler and Levy, 1969; Kotler and Zaltman, 1971) as “controversial.”

Contradictions of Social Marketing Concept

Some contradictions towards applying the marketing philosophy and techniques in the public and nonprofit sectors have emerged in the public and nonprofit administration literatures

(Allison, 1992). Roberto observed: "marketing's recent and growing participation in public sector management has received a bipolar love-hate evaluation" (Roberto, 1991, p. 81). Rainey, et al., (1976) contested Kotler and Murray's (1975) and Murray's (1975) positions that there were only limited differences between formal organizations and between managing public and private entities; that their trends converged; and that as a result, marketing was appropriate in the public sector. In contrast, Rainey et al., (1976) postulated that there are crucial differences between the two sectors and, thus, in the role of marketing in public agencies.

Doubts were raised that the conceptualization of social marketing authentically reflected the public realm (Loveday, 1991; Walsh, 1994). Walsh (1994) and Loveday (1991) argued that social marketing as it is operationalized has little in common with the public realm. According to Walsh (1994), marketing has not developed in a fashion that is specific to the context of government. He believes that the current conceptualization of marketing reflects a simple semantic adjustment of commercial marketing definitions, for example, by dropping the notion of profit without substantive adaptations to the political context of the public realm. Loveday (1991) questions whether social marketing is in any way innovative. He argues that "what the marketers claim as their own has been developed by a lot of other people as well; marketers have made a distinctive contribution in thinking it through in the context of selling products, first tangibles and more recently intangibles, to a mass market" (p. 174). Both authors support Walsh's (1994, p. 70) conclusion that there needs to be a rethinking and re-examination of social marketing in order to develop its new politically informed form, and to make it "specifically public service marketing rather than a pale imitation of a private sector approach within the public service."

Smith's (1988) study found that marketing was viewed only as a promotion technique concerned with specific problems such as an AIDS campaign. Marketing continued to be perceived by many public administrators as unethical, goal-distorting, and as an inappropriate model and framework for public service delivery (Buchanan et al., 1994; Ehling, et al., 1992; Hirschman, 1986; O'Faircheallaigh et al., 1991; Vanden Heede and Pelican, 1995). It appears that public administrators and social innovation activists either should make an effort to better understand marketing and embrace it, or that social marketing should undergo further modifications to address the concerns of those public administrators who remain skeptical towards it. To achieve this goal we need better understandings of methodological problems in order to develop superior conceptualization of social marketing.

Methodological Issues in Social Science

An ongoing and pervasive debate among social scientists during the last two decades of the twentieth century has been taking place between *naturalists*, *antinaturalists*, *critical theorists*, and *pluralists* regarding the issue of how social phenomena should be studied (Feyerabend, 1962; Levine, 1974; Lincoln and Guba, 1985; Harvey, 1990; Martin and McIntyre, 1997; Morrow and Brown, 1994). Naturalists argue that the study of social and of natural phenomena should be approached in the same way using objectivist epistemology, ontological belief in realism, and experimental methodology. Antinaturalists disagree with naturalists, believing that differences between natural and social phenomena mandate that a different approach should be used to study social phenomena. Contrary to “hard” natural sciences, the “soft” social science approach should be based on subjectivist epistemology, relativist ontology, and qualitative methodology. Critical theorists partially agree with naturalists and antinaturalists, accepting naturalists’ methodology and antinaturalists’ subjectivity. At the same time, critical theorists partially disagree with naturalists’ and antinaturalists’ approaches, rejecting naturalists’ ontological beliefs in relativity of truth and naturalists’ epistemological belief in the objectivity of a researcher. Finally, pluralists advocate equality of all approaches arguing that all these approaches have a right to co-exist because they are generating different types of knowledge, motivated by various research interests, and guided by distinct scientific ideals.

Different responses to the issue of how social phenomena should be studied have shaped alternative philosophical orientations in the contemporary philosophy of social science. These diverse philosophical orientations are founded on dissimilar assumptions about the nature of reality (ontology), the nature of relationships between the knower and the known (epistemology), and approved ways to conduct investigations (methodology). Combinations of these ontological, epistemological, and methodological assumptions are often referred to as alternative research paradigms. Paradigms predetermine a specific approach to the study of social phenomena (Guba and Lincoln, 1994). Four major research paradigms are widely recognized by researchers: (1) the logico-positivist/empiricist paradigm; (2) constructivism; (3) critical theory; and (4) the pluralist paradigm (Bleicher, 1980; Braybrooke, 1987; Guba and Lincoln, 1994; Gultung 1990; Fay, 1987; Little, 1991).

Pluralist Paradigm

This “multivaried” perspective stems from the arguments of some philosophers who believe that naturalistic, antinaturalistic, and critical theory approaches are compatible, complementary, and legitimate ways of studying social phenomena. They argue that none of these approaches should have a monopolistic hegemony on representing the ultimately correct

science. They have to co-exist in a dialogical position of supplementing rather than competing with each other (Braybrooke, 1987; Gultung, 1990; Israel, 1971; Rabinow and Sullivan, 1987).

Israel's (1971, pp. 343-347) discussion of Habermas' (1967) complex philosophy is one of the best available in the English speaking literature for better understanding this pluralist perspective. It is summarized in Figure 1. Israel interprets Habermas as identifying three types of social scientific ideals: the *natural science ideal*, the *hermeneutic ideal*, and the *ideal of a critical social science*. These three types of scientific ideals have shaped three major research orientations: *positivism*, *structuralism*, and *critical theory*. These three research orientations are stimulated by three different research interests that stimulate production of three different types of knowledge. Positivism produces the *informative* type of knowledge and is motivated mainly by *technical* interest; structuralism produces the *interpretative* type of knowledge and is motivated by *hermeneutic/interpretative* interest; finally, critical theory produces *criticism* and is motivated by *emancipatory* interest. The three types of interests and three types of knowledge are targeted on three main media--*work*, *language*, and *power*--which, according to Habermas, are necessary for the maintenance of a social system. The major premise of the pluralist paradigm is that "all social acts should be understood *from three different constituent* conditions: language; the basic process of production by which 'nature is transformed; and social power relations." (Israel, 1971 p. 345, italics from the original).

In broad terms, the pluralist paradigm states that positivism (naturalist) approaches are effective for conducting social science. However, by focusing exclusively on what is truth and what is false causes this approach to ignore the role of values, which contributes to the conservation of existing social conditions. Therefore, there is a need to supplement this positivistic approach with critical social science, which uncovers and reveals dominant values by analyzing whether or not they are acceptable in the context of a healthy and democratic social system. However, to achieve this goal, critical social science, in its turn, should be accompanied by hermeneutics, which seek a deep and rich understanding of meanings held by social actors and to identify the ways in which these meanings influence their behavior (Gultung, 1990). In the marketing literature the pluralist tradition has been represented by the work of Monieson (1982; 1988), and Arndt (1985) whose philosophical orientation relies heavily on the work of Gutlung (1990). Pluralists seek to break free from the paradigmatic provincialism which they perceive characterizes current marketing science. To achieve this goal, advocates of pluralism suggest that: (1) the dominant naturalist approach in marketing should be diluted by adopting alternative research orientations such as criticism and constructivism (Arndt, 1985; Hirschman, 1986); (2) marketing scholars should practice their right to dissent, to understand, and to be simple (Monieson, 1982); (3) a diverse array of research paradigms to better reflect subjective

experiences, values, criticism, and conflicts should be brought into marketing science (Arndt, 1985); and (4) different metaphors within alternative research paradigms (e.g. alienated man, victimized consumers, language and text, experienced man, irrational man, political economies, and the political marketplace) should be recognized by marketing scholars (Arndt, 1981; 1985; Pandya and Dholakia, 1992). Although their approach has been debated (Hunt, 1994), the voices of pluralists have ignited a philosophical rethinking both of general marketing theory and of the conceptualization of social marketing (Walsh, 1994).

Development of a Social Innovation Marketing Concept

Redistribution, generalized exchange, and reciprocity

Famous theorist of bureaucracy Von Mises once ironically observed: “The truth is that the government cannot give if it does not take from somebody.” (Von Mises, 1944). For generations, property and sales taxes levied on citizens have been the primary sources of both operational and capital funds for public agencies. The annual collection of taxes and the expenditures of some of them on public services confirm that the public field is part of the social area, which also has been referred to as the bureaucratic, redistributive or reciprocated sector (Dalton, 1971). Redistribution can be defined as obligatory payments to a central political authority that uses the receipts for its own maintenance, to provide community services, and as an emergency stock in case of individual or community disasters (Polanyi, 1944).

As well as redistribution, generalized exchange is the central notion of social innovation marketing. Generalized exchange is a unitary system of relationships in that it links all parties to the exchange together in an integrated transaction in which reciprocations are indirect, not mutual. Generalized exchange implies the existence of at least three parties involved in exchange relationships and has several forms. Chain generalized exchanges has the form $A \Rightarrow B \Rightarrow C \Rightarrow A$, where, " \Rightarrow " signifies "gives to." Net generalized exchange can be of two subtypes: individual-focused exchange and group-focused exchange. In an individual focused exchange, the group as a whole benefits each member consecutively until all members have each received the same amount of benefits and attention ($ABC \Rightarrow D$; $ACD \Rightarrow B$; $ABD \Rightarrow C$; $BCD \Rightarrow A$). In group focused exchanges, individuals give to the group as a unit and then gain back as part of the group from each of the unit members ($A \Rightarrow BCD$; $B \Rightarrow ACD$; $C \Rightarrow ABD$; $D \Rightarrow ABC$) (Ekeh, 1974; Levi-Strauss, 1969; Polanyi, 1944). Reciprocity is defined as relationships that involve at least three actors and where actors do not benefit each other directly, but only indirectly and can be termed chain generalized exchanges in the form $A \Rightarrow B \Rightarrow C \Rightarrow A$ (Dalton, 1971; Sahlins, 1972).

The social innovation organization

In contrast to profit oriented organizations that tend to be open-ended systems with wide discretion, public agencies tend to be closed-ended systems with a relatively narrowly defined mission. Both private and public agencies render useful services to the community. However, evidence of the usefulness of these services for the community is determined differently. In the case of private profit-seeking organizations, usefulness of their services is determined by citizens' willingness to pay the price asked for them. If they are willing to pay, then production of such services grows until saturation of the market is reached, at which point the factors of production will shift toward other services that are in greater demand.

The profit motive and price structure of the market serve as a sensitive compass to organizations indicating the right amount of services to produce, and the right services in which to invest money. Under these circumstances management of profit seeking organizations tends to be flexible, discrete, and de-centralized because anything that may slow down the organization's ability to adapt to changing customer preferences may be fatal to the continued viability of the organization. It is not management that lays off employees and dissolves profit-seeking organizations, it is the disapproval of the organization's customers that results in an excess of costs over revenues that leads to such actions (Rossman and Schlatter, 2015).

Godale argued that concern with increasing financial resources in a public agency tends to shift the focus of managerial attention towards immediate financial considerations at the expense of social objectives (Godale, 1985). Opponents of marketing argue that application of the marketing philosophy to increase revenues and improve efficiency distorts public agency objectives, contradicts the social service ethic, and invites commercialization of the public field. Godbey contends that "marketing public services differs from similar efforts in the commercial sector in a fundamental way—the public sector must market for more than economic profit." (Godbey, 1991:56).

The interaction with its environment

Many conceptualizations of public sector or nonprofit marketing tend to be based on the exchange concept that invites an economic type of analysis. From a redistribution or reciprocity systems perspective, the transactional exchange interpretation of social innovations marketing is inadequate. First, it shows only a small proportion of the full set of relationships that exist between government and citizens and between citizens and citizens, by focusing only on the direct organization-service beneficiary relationships based on *quid-pro-quo*. According to this perspective, the agency is the center of the universe and government is a sputnik rotated around

the agency. This is the microeconomic system type of analysis where marketing refers to agency A inducing behavior in interest group B, not for B's benefit, but for A's since success of A's marketing efforts is measured by profit earned by A. Because the organization is the primary unit of such an analysis the administrative role of government is minimized and limited, so the public agency is incorrectly perceived to be the initiator of all marketing efforts and government is incorrectly perceived as an implicit constraint to such efforts.

The Motivation of Social Innovations Professionals

There are arguments that suggest that a public agency should be driven by concerns for the public interest rather than by employees' self-interest. In the private firm individuals combine for the primary aim of making a profit. Von Mises noted that: "under the profit motive every industrial aggregate, no matter how big it may be, is in a position to organize its whole business and each part of it in such a way that the spirit of capitalist acquisitiveness permeates it from top to bottom." The interpretation of self-interest motivation as giving license to an unlimited spirit of acquisitiveness has been criticized as being immoral, egotistic, and selfish (Von Mises, 1944:54).

On contrary, The American Society for Public Administration's (ASPA) Code of Ethics was developed as a set of moral principles in 1981 by the Society for Public Administration's National Council. The very first topic of the ASPA's Code of Ethics titled "Serve the public interest" states and encourages public servants to "serve the public, beyond serving oneself."

The Concept of Social Innovation Marketing

Generalized exchange, redistribution and reciprocity are the central concepts underlying social innovation marketing. A city council, as an elected and commonly recognized political authority collects property and sale taxes from citizens and deposits them into the general fund. After taxes have been collected, they are distributed among the different services delivered to the community. Government establishes the departments, finances it, determines its goals, mission, and rules, and authorizes it to provide services for the community including some that require fees. A department is a bureaucratic closed-system agency with a clearly defined mission, moral principles, hierarchical structure, and internal arrangements designed to effectively implement the mission.

A professional social innovation marketer is someone who seeks to understand, plan, and manage redistributive and reciprocative arrangements. She or he would not be expected to focus upon selling the agency's services and generating revenue, but to look at the agency, its mission,

and its problems in a rational manner: identifying objectives; discovering the needs of citizens through research; weighing the opportunities and constraints; determining the resources available to the agency and exploring alternative sources of resources; examining the various ways, in which citizens' requirements can be met and the amount of human resources and type work that needs to be done. All of this is embraced in the following definition of social innovation marketing concept:

Social innovation marketing is the analysis, planning, implementation, and control of programs designed to facilitate redistributive and reciprocated arrangements within a community for the purpose of achieving established community objectives.

Conclusion

This perspective discards both the transactional voluntary exchange of values and marketing concept as means for meeting citizens' needs. According to these conceptualizations, marketing is a set of tools designed to induce behavior change. From this premise, the marketing concept is defined as inducing changes in existing patterns of behavior. Persuasive communications and adapting to existing patterns of behavior are seen as marketing's two primary characteristics. This perspective distinguishes between a core area of mission and an augmented mission and argues that tools of persuasion are central to achieving the core area of mission, while marketing and sales orientations are appropriate for the augmented mission activities (Capon and Mauser 1982).

Social innovation marketing is a synergetic concept. It accepts the premise of supporters of exchange conceptualizations that marketing is a management technology. However, it rejects the concept of transactional voluntary exchange as being universal and as underlying all of marketing activities. Instead, it recognizes the concepts of redistribution and reciprocity, but does not accept that it is merely another form of exchange. Economic anthropologists, historians and public scholars derive it from the classic notions of redistribution and reciprocity with all the rules and premises that comprise this system.

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