

Review Article

# Societal Marketing: A Recognize to Maintainable Enlargement in India!!!

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## ABSTRACT

The paper attempts to explore Corporate Social Responsibility (CSR) practices to active maintainable enlargement particularly in the perspective of India.

CSR and Maintainability are consistent and many use it exchangeable as well. CSR is mainly a corporate governance problem.

Over the past few years, as a consequence of rising globalization and pressing ecological issues, the perception of the role of corporates in the larger societal situation within which it functions, has been reformed.

Stakeholders today are redefining the role of corporates taking into account the corporates' wider maintainability towards society and environment, beyond economic performance, and are evaluating whether they are conducting their role in an ethical and socially responsible manner. As a result of this shift (from purely economic to 'economic with an added social dimension'), many forums, institutions and corporates are endorsing the term CSR.

Three base of maintainable development through societal marketing & CSR practices is viewed as the corporate orientation on sustainability is specially affected by external influences due to the specific sustainability orientation on a macro-level i.e. Legal/Institutional, Technological, Market, Societal/Cultural and Environmental.

Not only does society influence the company, the implementation of Corporate Sustainability in companies also has positive effects on society in the long-term.

**Key Words:** Corporate Social Responsibility (CSR) Maintainable Enlargement Societal Marketing.

## INTRODUCTION

Marketing is everywhere. Formally or informally, people and organizations engage in a vast number of activities that could be called marketing. It is a subject for all people and all seasons as it touches all of us every day.

Marketing occurs anytime one social unit (person or organization) strives to exchange something of value with other social unit. Marketing deals with identifying and meeting human and social needs.

Not all marketing practice follows the philosophy of service and mutual gain given by Feldman which states that the

marketing practice leads the economy by an invisible hand to satisfy the diverse and changing needs of millions of consumers. Some individuals and companies engage in questionable marketing practices. Certain private marketing transactions, seemingly innocent in themselves, have profound implications for the larger society.

Consider the sale of cigarettes. Companies should be free to sell cigarettes and smokers should be free to buy them. However, the transaction is tinged with public interest.

First, the smoker may be shortening his life.

Second, this places a burden on smoker's family and society at large.

Third, other people in the presence of the smoker may have to inhale the smoke and may experience discomfort and harm.

This is not to say that cigarettes should be banned. Rather it shows that private transactions may involve profound questions of public policy

Philip Kotler and Zaltman analyzed the marketing and society impact each other in a cyclical fashion. When a product is launched in the market, its effect on society is monitored and depending on the intensity of this effect the marketing mix is revisited.

The concept of Societal marketing emerged in 1972 is an enlightened concept of marketing that holds that a company should make good marketing decisions by considering wants of consumers, the company's requirements, and long-term interests of society.

We can define the societal marketing as a concept that holds the organization's task is to determine the needs, wants, and interests of a target market and to deliver the desired satisfactions more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and the society's well-being.

The concept has an emphasis on social responsibility and suggests that for a company to only focus on exchange relationship with customers might not be in order to sustain long term success Rather, marketing strategy should deliver value to customers in a way that maintains or improves both the consumer's and the society's well-being.

Societal marketing is a broadening, but not a replacement of managerial marketing While in managerial marketing, manager develops a marketing program to plan, price, promote and distribute products and services to earn profit and satisfy customer's wants, in societal marketing, company develops a same marketing program but it also considers the societal consequences in the same.

E.g. In case of automobile marketing we consider social aspects of auto production and use - air pollution, traffic congestion etc. with the planning of marketing mix.

Andrew Crane and John Desmond examined most companies recognize that socially responsible activities improve their image among customers, stockholders, the financial community, and other relevant publics

Ethical and socially responsible practices are simply good business, resulting not only in favorable image, but ultimately in increased sales.

The societal marketing concept was a forerunner of sustainable marketing in integrating issues of social responsibility into commercial marketing strategies. The concept of societal marketing is closely linked with the principles of corporate social responsibility and of sustainable development.

Sustainable Development through Corporate Social Responsibility

According to The World Commission on Environment and Development's; 1987 the development that meets the needs of the present without compromising the ability of future generations to meet their own needs is reviewed as Sustainable Development.

### **Sustainable Development**

**Source:** <http://www.uitp.org/Public-Transport/sustainabledevelopment/>

In line with the globalization of the world economy and the increasingly rapid flow of information that simplifies the detection of unethical performance of companies, the interest in, and importance of, CSR are continuously increasing.

CSR is reflected in practice by businesses adopting a societal marketing focus.

The concept of corporate social responsibility acknowledges the corporate sector's obligations towards society beyond short run profit maximization and that the group of stakeholders, whose interests are to

be considered in corporate strategies and operations, are extended further than to the shareholders to include societal and environmental values.

Philip Kotler and Nancy Lee define CSR as “a commitment to improve community wellbeing through discretionary business practices and contributions of corporate resources” whereas Mallen Baker refers to CSR as “a way companies manage the business processes to produce an overall positive impact on society.”

The World Business Council for Sustainable Development (WBCSD) defines CSR as the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life. This description of CSR reflects the general idea of the concept to redefine the relationship between business and society and to emphasize the social and environmental responsibilities by corporations acting in the world economy.

Husted and de Jesus Salazar explain this concept as among the business community, the denotation of the “Triple p-people, planet and profit” and recognizes the integration of the economic, societal and environmental responsibilities into the business strategy of modern companies.

Relationship between SD, Corporate Sustainability and CSR

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<http://wbw.unileoben.ac.at> as on 20th October 20, 2012.

Sustainable Development is an ethical concept which offers ideas concerning sustainable orientation on a macro-level. The concept of SD on a corporate level is stated as Corporate Sustainability which is based on the three pillars economic, ecological and social issues, therefore, the social dimension is named CSR.

The corporate orientation on Sustainability is specific affected by external influences due to the specific sustainability orientation on a macro-level:

- Legal/Institutional: Laws, Human Rights, etc.
- Technological: New technologies
- Market: Suppliers, Competitors, Customers, Trends
- Societal: NGO's. Society
- Cultural: Attitudes, Behavior
- Environmental: Nature, Availability of Resources

Not only does society influence the company. The implementation of Corporate Sustainability in companies also has positive effects on society in the long-term

### India as a host location for CSR Practices

India is an ideal location is a country with substantial international presence and investments, which implies that there will be many companies who can, and are willing to, engage in CSR activities. It still faces challenges of for example poverty alleviation and development, which implies that there are possibilities for CSR initiatives to contribute to positive effects for and development of the host community.

### ★ Historical View:

In the ancient India during the period of Chandragupta Maurya in the 4th century BC, several management ideas and practices (includes CSR) were found, which was based on the Kautily's Arthashastra Practices and development of CSR took place on the Indian subcontinent structured from the Vedic philosophy reviewed by Pandey and Tripathi.

Business is viewed as legitimate and an integral part of society according to Vedic philosophy but essentially it should create wealth for the society through the right means of action. ‘sarvalokahitan’ in the Vedic literature referred to ‘well-being of stakeholders’. This means an ethical and social responsibility system must be fundamental and functional in business undertakings. Put in simple business sense, the organisation would sustain long-term

advantages and obtain profits if it conducts its businesses ethically and be socially responsible.

#### **Social View:**

Deaton observed that India's rapid economic growth has not automatically translated into development of the country and improved living conditions for the population and India still faces challenges regarding poverty alleviation and development.

Farrington, Clarke and Roy pointed out following the growth of the Indian economy, migration from rural areas into the cities has increased, which has brought an increase in urban poverty, slum-dwelling and urban homelessness. The majority of the rural population consists of small, marginal farmers or landless farm workers, residing in, or on the edge of, poverty. The structural imperfections act to a certain extent as an impediment to human and social development, as they cement the existing divides between different income and status groups, and render it more difficult for marginalized groups in the society to overcome poverty traps.

#### **Economic View:**

Farrington and Clarke observed that the current relative stability of the Indian economy has proved a lucrative environment for corporate investment and inflow of international capital and growth is now to a large extent driven by the advanced service sector, such as high-skill IT or financial services. However, the swift industrial growth in India has caused increasing problems of for example environmental damage and urbanization, and problems relating to poverty and underdevelopment persist within the Indian society.

The features and efficiency of the institutional environment of the host society provide a framework in which international companies and their CSR strategies operate. In order for these CSR strategies to reach potential maximum effect in terms of development impact, they must act in accordance with this framework. Thus,

examining the structure of the institutional framework will provide useful insights into how CSR strategies should be formulated and implemented in order to contribute to an actual difference in the developing host countries. The introduction to new institutional economics will prove useful when analysing the effectiveness of international corporations CSR strategies in India and their effect on development in the host country.

#### **Current Scenario of CSR and Societal Marketing in India**

RamyaSathish observed that an effective partnership between corporates, NGOs and the government will place India's social development on a faster track.

Today, CSR in India has gone beyond merely charity and donations, and is approached in a more organized fashion. It has become an integral part of the corporate strategy. Companies have CSR teams that devise specific policies, strategies and goals for their CSR programs and set aside budgets to support them.

Directors were asked to identify some of the top CSR issues facing their board today and in the future. The most commonly mentioned topic was climate change specifically, followed by the environment more generally.

#### **Employees**

- Health and wellness
- Management of stress, conflict and new change
- Mental health of employees
- Work family balance

#### **Customers and Products**

- Product quality and ease of repairing
- Ethical conduct in sales and marketing
- Product offerings; line of green products
- Customer expectations

#### **Environment**

- Waste disposal and recycling
- Production technology and Sustainable marketing
- Stewardship programs
- Use of natural resources
- Environmental Pollution

Company	Thematic Areas	CSR Initiatives for Sustainable Development
Vedanta Alumni Ltd.	Livelihood Health Education Environment Infrastructure	Capacity building Health awareness camps, use of IEC materials, Family planning Child care centers, education to all children, computer education Environment protection Renovation of village schools
Aditya Birla Group	Livelihood Health Education	Employment generation schemes Health care, safe drinking water Education and training
Dr, Reddy's Labs	Livelihood Health Education	Job oriented course to youth Hospitality services Education, child rights programmer
Tata Steel	Livelihood Health Environment Infrastructure	Enterprise promotion Maternal & child health, AIDS awareness, hospital on wheels, Education Fellowship, coaching programmes Land & water management, rain water harvesting Construction of school, hospital, pumps, tube well.
Lupin India	Livelihood  Education Environment Infrastructure	Developing new skills, extension & infield training Health Family welfare, immunization, health camps, TB eradication Education for all, women's development, eradication of social evils Water management and conservation Schools, community facilities, low cost housing, training centers
ICICI Bank	Livelihood Health Education	Micro financial services, Early child health, improve nutrition among women & children Universalization of elementary education
Ambuja Cement Ltd.	Livelihood Health Education Environment	Capacity building, generation of alternate source of livelihood Reducing child mortality. HIV/AIDS awareness Promotion of education Water management and conservation
Coca-Cola India Inc.	Education Environment Infrastructure	Education for children through "The Schools into Smiles Project" Sustainable water management Construction of check dams, schools
Bharat Petroleum	Livelihood Health Education Environment Infrastructure	SHG for income generation, mushroom cultivation Health camps, HIV/AIDS care and prevention Primary education, balawadi for children, coaching Tree plantation Repair & maintenance of bore wells, schools, community centers
NTPC	Livelihood Health Education	Income generation Health care Education, vocational training
SAIL	Livelihood Health Education Infrastructure	Training for income generation Immunization, blood donation, distribution of condoms Tree plantation Construction and repair of roads, bore wells, hand pumps
Asian Paints	Health Education Infrastructure	Immunization programmes for children Schools for rural children Improving infrastructure & sanitation facilities in local schools
Indian Oil	Livelihood Health Education Environment	Income generation Health and family welfare, sanitation Promoting education Environmental protection
Satyam Computers	Livelihood Health Education Environment	Income generation Health care Primary education Environment protection

### Social

- Advantages to local community
- Charity to improve standard of living of disadvantaged groups
- Impact of business activity and Sustainable growth of the communities where we do business

- Human rights / child labor / fare wage policy

### Demographic

- The impact of an aging population on the workforce, retirement, recruitment, pensions, and health care

- Diversity in the workplace to deal with immigration
- Labor competition

### **Globalization**

- Bribery, corruption, smuggling
- Relationship between capital and labor in the global economy ‘Social implications of off-shoring

### **Health issues**

- New diseases. pandemics, HIV/AIDS, breast cancer etc. Global and national health care and Pricing of/access to medicines Details of CSR initiatives of Indian Companies

## **CONCLUSION**

According to Indu Jain, Chairperson of The Times of India Group, “CSR is coming out of the purview of ‘doing social good’ and is fast becoming a ‘business necessity’.”

The people-centric approach in CSR makes the CSR practices of Indian business unique, while India shares with other developing countries in its CSR experiences and practices certain attributes that come with the process of development, such as a distinct set of CSR agenda challenges and the deployment of CSR as an alternative to government.

CSR has come a long way in India. From responsive activities to sustainable initiatives, corporates have clearly exhibited their ability to make a significant difference in the society and improve the overall quality of life.

In the current social situation in India, it is difficult for one single entity to bring about change, as the scale is enormous. Corporates have the expertise, strategic thinking, manpower and money to facilitate extensive social change. Effective partnerships between corporates, NGOs and the government will place India’s social development on a faster track.

Therefore the management heads and senior people at decision making process of corporate house must understand that their passionate attitude towards people and planet will bring a lot of changes in

environment, people and business of the organization. There will be good wishes from people around them which are along term profit for the corporate.

CSR is the human face of trade. Anything befitting human and related areas is appreciated. Thus corporate houses are very much appreciated and recognized for leaving aside their greed and contributing for society and nature. It is also a spiritual aspect of trade. Unfortunately some corporate leaders and their top managements do not realize this. A smile in neglected person can bring tons of satisfaction to the person or people those who become means to it. Trade or industry will become a place to enjoy and means to real progress of nation.

According to Ratan N. Tata, “We do not do it for propaganda. We do not do it for publicity. We do it for the satisfaction of having really achieved something worthwhile.”

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